

Market Feasibility Analysis Misty Amber Senior Apartments

Atlanta, Fulton County, Georgia

**To be developed by:
Misty Amber, L.P.**

**Prepared for
The Georgia Department of Community Affairs**

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I. Executive Summary

Proposed Site Location

- The proposed site is located on the former site of several rental communities including Misty Valley, Ruby Ridge and Ambercreek. Over the past several years, there have been major initiatives and efforts in the revitalization of the Adamsville community in which the proposed site is located.
- Being the largest contiguous piece of vacant property in the area with approximately 32 acres, ANDP has implemented a master plan that will help achieve the three housing goals of the Southwest Atlanta Comprehensive Plan (SWACP). The Misty Amber community will encompass approximately 540 new for sale housing units, 200 family rental apartments and 152 units of senior rental housing. Misty Amber Senior Apartments is the first phase of this development. The senior community will be adjacent to and a part of a larger intergenerational, mixed income community.
- Misty Amber Senior Apartments will be located along Martin Luther King Jr. Drive on 5.5 acres of the Misty-Ruby-Ambercreek Community. The property fronts 350 feet of the west side of MLK Jr. Drive and over 440 feet along the new entrance road for the overall community.

Proposed Amenities

- Misty Amber Senior Apartments will include a fully equipped kitchen with a stove, a refrigerator, a garbage disposal and a dishwasher. Each unit will have an individual alarm system with call system. Common area amenities designed to address the needs of seniors will include a gathering and social areas on each floor, a community room with private dining room for parties and special events, a sheltered gazebo, an exterior patio with barbeque grills, an adult swimming pool, a fenced vegetable garden, an exercise/fitness center, self serve elevators, central laundry facilities, and business center/computer lab.

- The proposed unit and common area amenities will be attractive to the senior clientele, which will be targeted by Misty Amber Senior Apartments.

Demographic Analysis

- According to 2000 Census data, the proposed development is compatible with the demographic composition of the primary market area, which has a proportional high percent of senior person.
- The senior household growth rate and senior income distribution indicate the need for additional senior oriented rental units.

Affordability Analysis

- Based on household income distributions produced by Claritas, 71.8 percent of the senior (55+) households in the primary market area earn less than the maximum income limit for the two bedroom units at 60 percent of the AML.
- When a minimum income limit is introduced, 11.01 percent earn below the maximum income limit and above the minimum income limit. This minimum income limit will apply to those householders without Section 8 voucher rental assistance.
- Based on the 2004 senior household estimate of 15,672 for the primary market area, there are 11,263 senior households with incomes below the maximum income limit and 1,725 of these household also earn more than the minimum income limit.

Proposed Unit Mix and Rent Schedule

- The proposed unit mix consists of one and two bedroom units reserved for tenants age 55 and older. There will be tax credit units priced at both 50 percent and 60 percent of the Area Median Income and market rates units will target those renters earning no more than 80 percent of the AML.
- The proposed one and two bedroom units at Misty Amber Senior Apartments will be appealing to senior renter households. These are the two floorplans are typical of new senior communities. . Furthermore, the

senior oriented community will be more appealing to the target market than the existing, older general occupancy communities.

- The units sizes proposed are generous for a general rental apartments in this market and large for a senior community.
- The proposed rents at Misty Amber Senior Apartments are higher than the average rent among existing communities, although the unit sizes are noticeably larger than the average unit in the market. The proposed rents are appropriate given the appeal of larger units, new construction and the extensive amenities to be included.

Demand and Capture Rates

- Using the methodology stipulated by NCHFA, we find that there will be 5,364 senior (55+) renter households as a result of substandard households, rent over burdened households, renter household growth, and elderly homeowners converting to rental housing in 2004.
- By applying the income qualification percentages discussed earlier to this demand number, we calculate that there is demand for 2,703 additional units in the primary market area.
- This demand estimate results in a capture rate of 22.2 percent with a minimum income limit and 4.3 percent without a minimum income limit. Based on the product to be constructed and the proposed location, these capture rates are considered achievable.

Final Conclusion

Based the data presented in this report, we find that Misty Amber Senior Apartments passes the market study test as proposed.

II. Project Description

The proposed development, Misty Amber Senior Apartments, will be a newly constructed 152 unit rental community reserved for elderly tenants age 55 and older. The community will consist of 120 one bedroom units with 762 square feet of living space and 32 two bedroom units with 1,095 square feet of living space.

The proposed development will include tax credit units reserved for tenants earning no more than 50 percent and 60 percent of the Area Median Income (AMI) and market rate units, which are noted as 80% of the AMI in the table below. Sixteen of the units reserved for tenants earning no more than 50 percent of the AMI will have project based rental assistance. Tenants qualifying for these units will pay only 30 percent of their income each month for rent. As a result, there will be no minimum income for these units.

Table 1 - Proposed Unit Mix, Misty Amber Senior Apartments

Unit Type	AMI Level	Bedrooms	Building Type	Units	Avg. Size	Net Rent	Rent/Sq Ft
PBRA	50%	1	Mid-Rise	13	762	\$561	\$0.74
PBRA	50%	2	Mid-Rise	3	1,095	\$671	\$0.61
LIHTC	50%	1	Mid-Rise	36	762	\$511	\$0.67
LIHTC	50%	2	Mid-Rise	11	1,095	\$611	\$0.56
LIHTC	60%	1	Mid-Rise	46	762	\$561	\$0.74
LIHTC	60%	2	Mid-Rise	12	1,095	\$671	\$0.61
MKT RATE	80%	1	Mid-Rise	25	762	\$540	\$0.71
MKT RATE	80%	2	Mid-Rise	6	1,095	\$770	\$0.70
Total/Avg.				152	832	\$568	\$0.68

Misty Amber Senior Apartments will consist of one four-story mid-rise building served with elevators and interior hallways. A recreation courtyard and patio will be provided. The entire perimeter of the property will be fenced for additional security, and the site will be well lighted and landscaped.

Common area amenities of Misty Amber Senior Apartments will include gathering and social areas on each floor, a community room with private dining room for parties and special events, a sheltered gazebo, an exterior patio with barbeque grills, an adult swimming pool, a fenced vegetable garden, an exercise/fitness center, self serve elevators, central laundry facilities, and business center/computer lab.

Unit specific amenities will include a fully equipped kitchen with a stove, refrigerator, dishwasher, and garbage disposal, washer dryer connections, individual unit security systems with call system, and central heat and air. All units will be accessible and adaptable in accordance with the Americans with Disabilities Act. Safety features will include raised electrical outlets and safety rails in the showers and baths.

Community services to be provided by Misty Amber Senior Apartments will include a fulltime supportive service staff, resident assessment, health wellness and aging counseling/education, case management, recreational and entertainment activities, advisory services, exercise/physical education counseling, and dealing with grief and loss counseling.

III. Site Evaluation

A. Site Description

The proposed site is located on the former site of several rental communities including Misty Valley, Ruby Ridge and Ambercreek. Over the past several years, the Adamsville community in which the proposed site is located has been the target of major initiatives and revitalization efforts. The three aforementioned rental communities were purchased under these initiatives and razed at the end of 2001. Those involved with the revitalization efforts of this area include the Atlanta Neighborhood Development Partnership (ANDP), the City of Atlanta, the Atlanta Regional Commission, and MARTA.

Being the largest contiguous piece of vacant property in the area with approximately 32.24 acres, ANDP has implemented a master plan that will help achieve all three housing goals of the Southwest Atlanta Comprehensive Plan (SWACP). The Misty Amber community will include approximately 540 new housing units consisting of 85 for-sale townhomes, 100 for-sale condominiums, 200 family rental apartments and 152 units of senior rental housing. Misty Amber Senior Apartments is the first phase of this development. The senior community will be adjacent to and a part of a larger intergenerational, mixed income community.

Misty Amber Senior Apartments will be located along Martin Luther King Jr. Drive on 5.5 acres of the Misty-Ruby-Ambercreek Community. The property fronts 350 feet of the west side of MLK Jr. Drive and over 440 feet along the new entrance road for the overall community.

B. Surrounding Land Uses

The immediate neighborhood is referred to as Adamsville and consists of primarily low to moderate income single family and multi family residential development. This area is located approximately five miles west of the Atlanta central business district and immediately south of the Interstate 20 and MLK Jr. Drive Interchange. Predominately residential in character, homes in the surrounding neighborhood date from the early to mid 1900's. A working class community, modest single family and duplex residences make up the heart of the neighborhood. The neighborhood has experienced severe problems faced by many inner city neighborhoods including rising crime, declining population, deterioration of housing

stock and lack of property maintenance. As a result, the initial focus of the SWACP is the total revitalization of the area's housing stock.

The proposed site is located within one quarter to three quarters of numerous neighborhood services including retail/shopping, restaurants, employment centers, public schools, public parks, and churches of various denominations.

C. Site Photos

Figure 1 - Site Location Photos



View of site entrance along MLK Jr. Drive



View of site facing west



View of site facing north.



View from site entrance facing southeast.



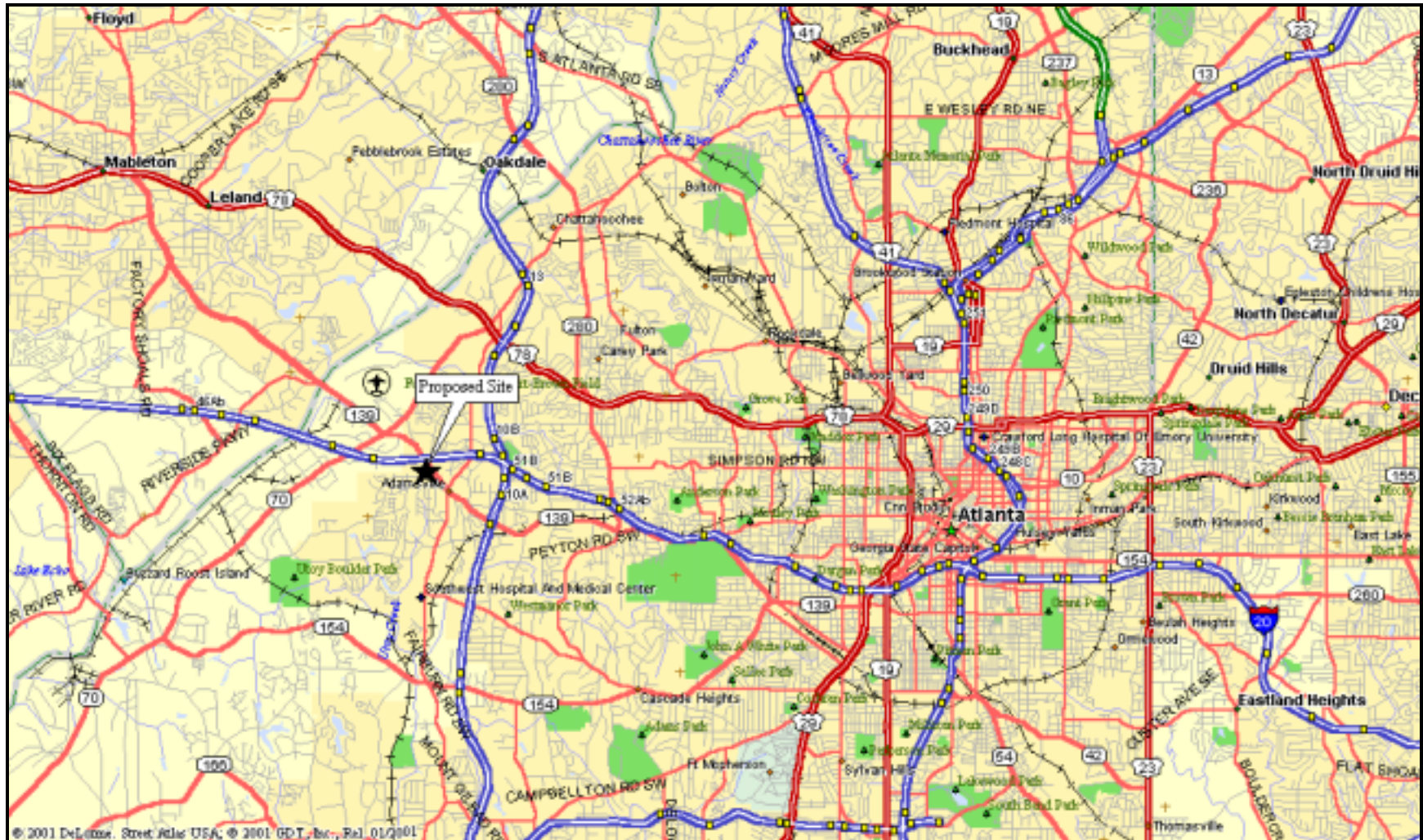
MLK Jr. Drive facing north in front of site, site is on left.



View of church opposite site on MLK Jr. Drive

D. Location Maps

Map 1 - Site Location, Misty Amber Senior Apartments



Map 2 - Neighborhood Amenities, Misty Amber Senior Apartments



Table 2 - Neighborhood Amenities, Misty Amber Senior Apartments

Establishment	Type	Address	Distance
West Atlanta Food	Grocer/Market	3660 MLK Jr. Dr.	0.1 Mile
Oliver's Seafood	Restaurant	3665 MLK Jr. Dr.	0.1 Mile
Cliff's Place	Restaurant	3657 MLK Jr. Dr.	0.1 Mile
C&C Westside Diner	Restaurant	3650 MLK Jr. Dr.	0.1 Mile
Candy Man Quick Stop	Grocer/Market	3782 MLK Jr. Dr.	0.2 Mile
China Cafeteria	Restaurant	3613 MLK Jr. Dr.	0.3 Mile
Kentucky Fried Chicken	Restaurant	3604 Bakers Ferry Rd SW	0.3 Mile
Wayfield Foods	Grocery Store	3599 MLK Jr. Dr.	0.4 Mile
Checkers	Restaurant	3566 MLK Jr. Dr.	0.4 Mile
Church's Chicken	Restaurant	3561 MLK Jr. Dr.	0.5 Mile
South Fulton Medical Center	Medical Clinic	677 Fairburn Road NW	0.8 Mile
Fulton County Fire Dept.	Fire	3977 Aviation Circle NW	0.9 Mile
Southwest Hospital and Med Center	Hospital	501 Fairburn Road SW	1.6 Miles
CVS Pharmacy	Pharmacy	2750 Bankhead Highway	2.0 Miles
Atlanta Police Dept	Police	2315 Bankhead Highway NW	2.9 Miles

E. Neighborhood Amenities

Retail/Restaurants

The majority of the retail establishments and restaurants in the immediate area are located along Martin Luther King Junior Drive east of the proposed site, larger stores are located along Bankhead Highway, which runs roughly parallel to MLK Jr. Drive approximately one mile to the north. Retail establishments and restaurants located within one mile of the proposed site include grocery stores, convenience stores, markets, fast food restaurants, and sit-down restaurants/diners. A list of these establishments is located on the preceding page. With sidewalks located on both sides of Martin Luther King Junior Drive, all of the establishments are located within walking distance of the proposed site.



Wayfield Foods

Medical

The closest medical centers to the proposed site include South Fulton Medical Center and Southwest Hospital and Medical Center, both located on Fairburn Road. These major medical centers offer a variety of medical care including 24-hour emergency medicine and general practice. The health centers within the hospital's system include children's health, men's health, women's health, and senior's health. South Fulton Medical Center is located approximately 1.5 miles southwest of the proposed site and Southwest Hospital and Medical Center is located just over one half of one mile northwest of the proposed site.

In addition to these major medical centers, several smaller clinic and independent physicians operate within 2 miles of the site location. Furthermore, several large hospitals and medical centers including Grady Hospital System, Emory Medical Center, and Piedmont Hospital also serve the Atlanta region.

Transportation

Fulton County and the Atlanta metropolitan area are served by Interstates 20, 75, 85 and 285. Interstate 285 is located within one quarter of one mile, Interstate 20 is located within one half of one mile, and Interstates 75 and 85 are both located approximately five miles east of the proposed site. These interstates provide access to the entire metropolitan Atlanta area, the state of Georgia and bordering states. Large state and U.S. Highways in the area include Highways 19, 29, 41, 70, 78, 154, 166, and 280.

Metro Atlanta's rail and transit system, MARTA, connects southern Fulton County with much of the Atlanta region through its bus and train network. There are several bus routes that run near the site. The closest MARTA bus stops are located on Martin Luther King Jr. Drive within walking distance of the site.

F. Overall Site Conclusion

The proposed site is located in an older, established area of southwest Fulton County. The site is compatible with existing land uses and is located conveniently to community shopping, services, and transportation arteries. Additionally, with recent demolitions in the area, significant investment has been made to prepare the site for residential development.

There has been little new construction of rental housing in the immediate area of the past fifteen to twenty years. Yet, as an established neighborhood, the area has an extensive community infrastructure in place. The proposed development and the associated neighborhood revitalization will be well received by the existing tenant base in the market.

The proposed site is located in an area of Atlanta that has not seen a significant amount of new construction or large-scale redevelopment in the past decade. Much of the existing housing and retail establishments are of older construction and have not been well maintained. The proposed development will not only be well accepted as one of the more appealing communities, but will also likely be a trigger for additional redevelopment in the area.

IV. Market Area

A. Market Area Definition

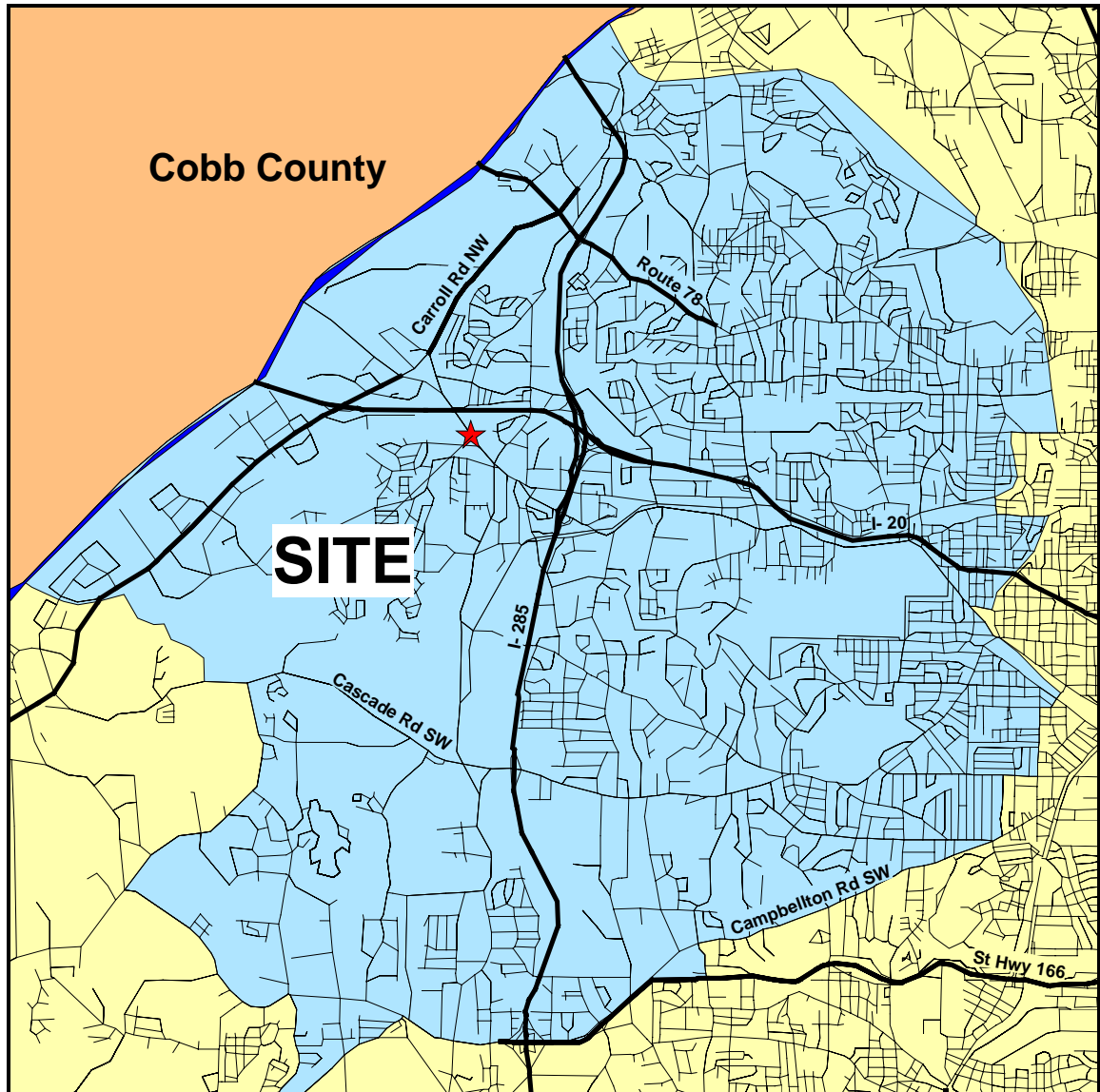
The primary market area for Misty Amber Senior Apartments consists of the census tracts located in southwest Atlanta. The approximate borders of this market area are Cobb County/Perry Boulevard to the north, 1 mile west of Highway 47 to the east, Highway 166/Lakewood Freeway to the south, and Cobb County to the west.

This market area was determined based on conversations with local property managers, local housing officials, and on-site analysis. The composition and housing stock is fairly consistent throughout the primary market area. There are no natural or social boundaries that would hinder the movement of renters throughout this market.

The approximate distance to the borders of this primary market area are 3.43 miles to the north, 4.24 miles to the east, 4.73 miles to the south, and 2.94 miles to the east. The primary market area includes year 2000 census tracts 0087.02, 0087.01, 0086.02, 0086.01, 0082.02, 0085, 0082.01, 0078.05, 0078.07, 0083.01, 0084, 0083.02, 0078.06, 0040, 0081.02, 0079, 0060, 0103.03, 0081.01, 0080, 0078.02, 0061, 0077.01, and 0076.02.

B. Map of Market Area

Map 3 - Primary Market Area

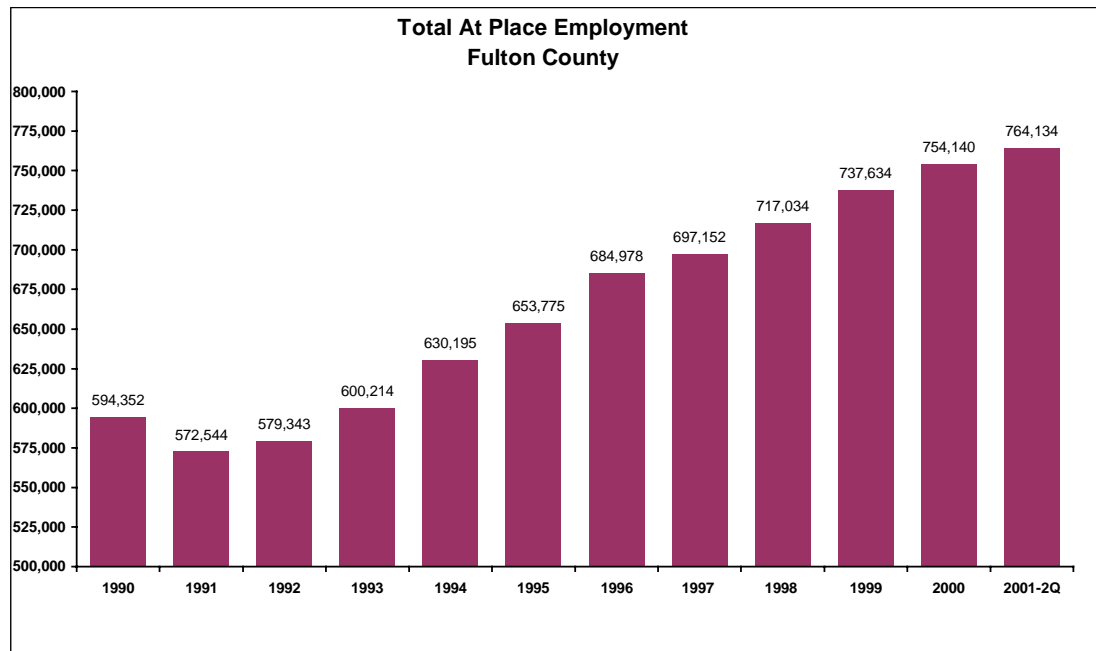


V. Market Area Economy

A. At Place Employment and Employment by Sector

Total at place employment has increased steadily over the past decade (Figure 2). In 2000, employment in Fulton County had reached 754,140, as job growth averaged nearly 16,000 jobs annually during the decade. Overall, the county experienced a net increase of over 159,788 jobs since 1990. Total at-place employment decreased between 1990 and 1991, but has increased each year since. This continued growth has been steady with larger than average increases experienced between 1993 and 1994 and between 1995 and 1996. Employment growth has been relatively moderate over the past three years. Initial figures indicate that total at-place employment has increased by an additional 9,994 jobs or 1.3 percent over the first two quarters of 2002. On a percentage basis, job growth in Fulton County has been higher than national employment growth over the last five years of the previous decade (Figure 3).

Figure 2 - At Place Employment, Fulton County, Georgia

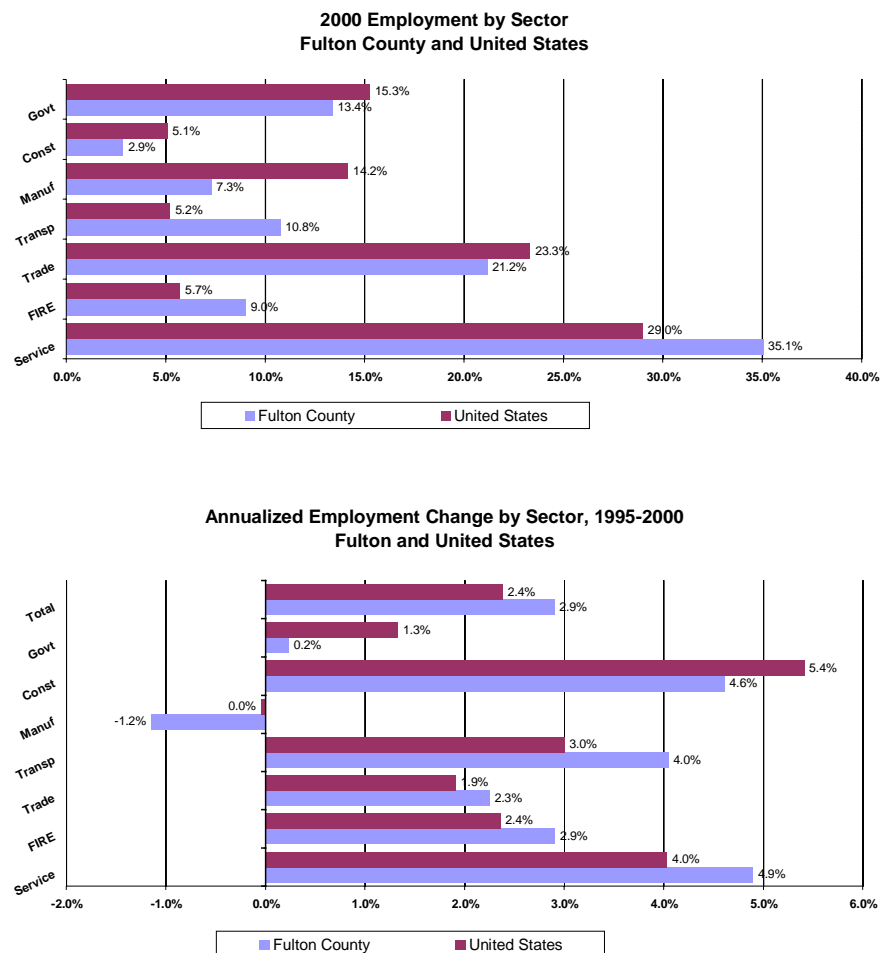


Source: Georgia Department of Labor,
of Labor Statistics, Covered Employment and Wages (ES 202)

Bureau

At place employment figures indicate that the service sector of employment growth is fueling Fulton County's economy. The service sector had the fastest rate of growth of any sector since 1995 (4.9 percent annualized growth) and the largest share of any employment sector at 35.1 percent (Figure 3). The transportation (4.0 percent) and construction (4.6 percent) sectors also experienced above average growth, however accounted for only 10.8 percent and 2.9 percent of total employment respectively. Major employers in Atlanta and Fulton County represent a wide range of products and/or services including telecommunications, manufacturing, service, and healthcare (Table 3).

Figure 3 - Total Employment and Employment Change by Sector, Fulton County



Source: Georgia Department of Labor,
Bureau of Labor Statistics, Covered Employment and Wages (ES 202)

B. Major Employers

The majority of the major employers in the “Atlanta” area of Fulton County are located in and around downtown, within approximately ten miles of the proposed site. An additional large concentration of Fulton County’s major employers is located in the Buckhead area of the city, which is located northeast of downtown along Georgia 400. These employers are located approximately 10 to 15 miles from the proposed site and are an unlikely employment option for residents of southern Fulton County. A large employment concentration near southern Fulton County is Atlanta Hartsfield Airport, just inside the Clayton County border. Although not in the county, many of the residents of the primary market area are likely employed in or near the airport. The following table lists the largest employers in Fulton County and the region in which they are located. These employers represent several fields including utilities, food products, airlines, technology, transportation and retail/wholesale trade.

Table 3 - Largest Employers in Fulton County

Employer	Location
American Software, Inc	Buckhead
BellSouth Corporation	Atlanta
Blue Cross Blue Shield of GA	Buckhead
Buckhead Life Restaurant Group	Buckhead
Coca-Cola Company, The	Atlanta
Columbia West Paces Medical Center	Buckhead
Cox Enterprises, Inc.	Atlanta
Delta Airlines, Inc.	Atlanta
Genuine Parts Company	Atlanta
Georgia Pacific Corporation	Atlanta
Home Depot, Inc.	Atlanta
IBM Corporation	Buckhead
MARTA	Buckhead
Piedmont Hospital	Buckhead
Rich's	Buckhead
Ritz Carleton Buckhead	Buckhead
Southern Company, The	Atlanta
Turner Broadcasting Company	Atlanta
United Parcel Service	Atlanta

Source: Atlanta Homes Real Estate and Relocation Services

C. Labor Force and Unemployment

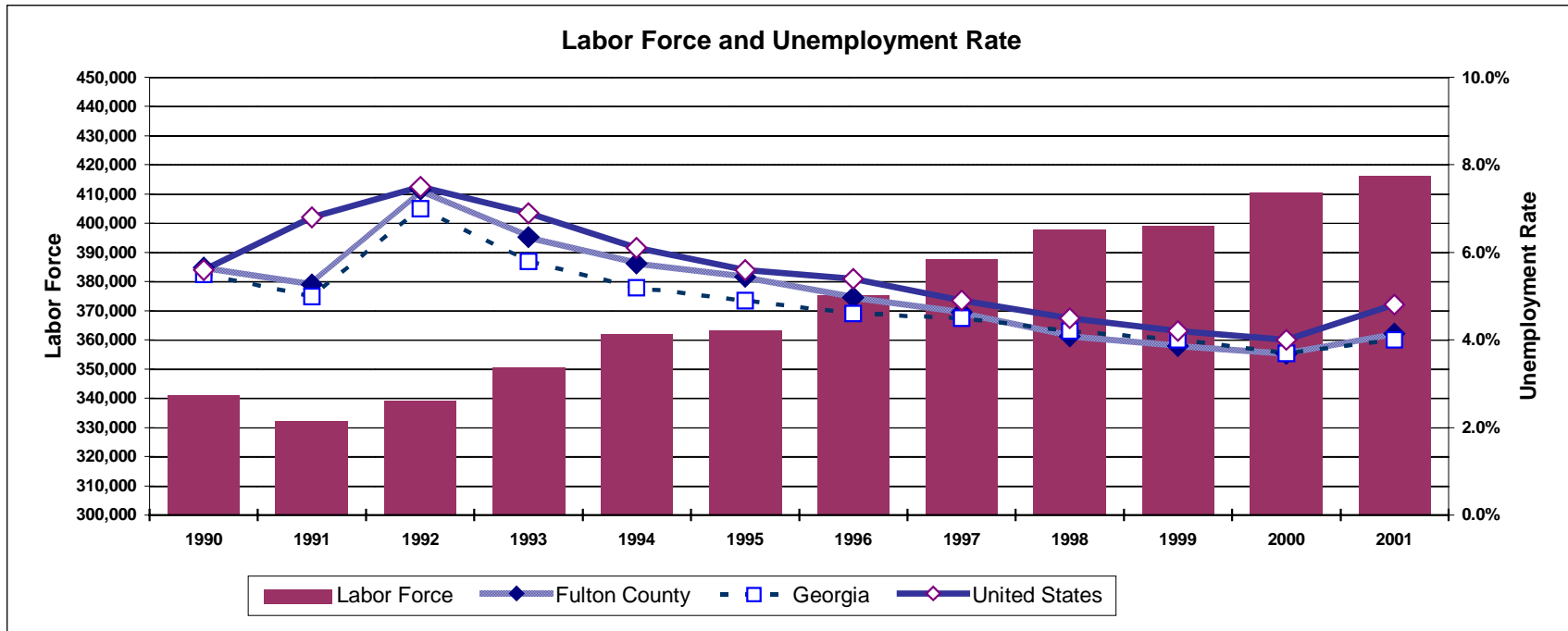
Fulton County's labor force has increased by 75,165 or 22.04 percent over the past 11 years. After an initial decline between 1990 and 1991, the labor force has continually grown since 1991. The growth has been fairly consistent and even with lower than average growth between 1994 and 1995 and between 1998 and 1999. The 2001 labor force is 1.4 percent higher than the 2000 year end total (Table 4).

The unemployment rate in Fulton County has consistently declined over the past decade with only two years experiencing an increase. The high point of the decade in terms of unemployment rate occurred in 1992, with 7.4 percent of the workforce unemployed. Eight consecutive years job growth has resulted in the decade's lowest level of unemployment at 3.7 percent. Unemployment data for 2001 shows that Fulton County's unemployment rate increased 0.4 percentage points over the past year. This is slightly higher than the increase experience by the state of Georgia (0.3 percentage points), but lower than and The United States (0.8 percentage points). It appears that Fulton County's unemployment has been impacted commensurate with the state's economy and to a lesser degree than the nation's.

Table 4 - Labor Force and Unemployment Rates, Fulton County, Georgia

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Labor Force	341,032	332,290	339,219	350,687	361,995	363,188	375,196	387,623	397,813	399,063	410,281	416,197
Employment	321,756	314,774	314,004	328,405	341,172	343,427	356,549	369,672	381,566	383,640	395,164	398,925
Unemployment	19,276	17,516	25,215	22,282	20,823	19,761	18,647	17,951	16,247	15,423	15,117	17,272
Unemployment Rate												
Fulton County	5.7%	5.3%	7.4%	6.4%	5.8%	5.4%	5.0%	4.6%	4.1%	3.9%	3.7%	4.1%
Georgia	5.5%	5.0%	7.0%	5.8%	5.2%	4.9%	4.6%	4.5%	4.2%	4.0%	3.7%	4.0%
United States	5.6%	6.8%	7.5%	6.9%	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.8%

Source: Georgia Department of Labor, Licensing and Regulation



VI. Community Demographic Data

A. Population and Household Trends

Historic growth rates for the primary market area and Fulton County are based on 1990 and 2000 Census counts. Projections are based on Claritas Data Services, Inc. growth rates for both geographies applied to the base 2000 Census data and compared to countywide population estimates developed by the Georgia State Data and Research Center. This approach is more conservative than using the more aggressive estimates made by Claritas before the release of the 2000 Census data.

Fulton County has experienced steady growth over the past decade. Fulton County's 2000 population represents an increase of 167,055 persons or 25.7 percent from 1990. The population growth rate in the primary market area has been much lower than of the county's rate at 6.5 percent during the same time period (Table 5). Based on the estimates made, the county and PMA populations are expected to grow by an additional 6.2 and 0.8 percent respectively from 2000 to 2004.

Based on 1990 and 2000 Census data, the PMA gained 3,606 households, while the entire county increased by a total of 64,102 households. The PMA's growth equates to an average annual increase of 361 households or 1.0 percent, slower than the county's annual rate of 2.3 percent.

Projections show that the PMA's household count is expected to increase by an additional 302 or 0.8 percent between 2000 and 2004. The county's rate of household growth is projected at 8.1 percent or 26,062 households during the same four year time period.

The growth rate in the primary market area is understandably lower than the county's growth due to the densely populated nature of the region. The proposed site is located in a more developed area south of downtown along Interstates 75 and 85. A large percentage of the county's growth has occurred in the northern suburbs along Georgia 400 including Sandy Springs, Roswell and Alpharetta.

B. Senior Population and Household Trends

Based on 1990 and 2000 census data, the primary market area's population age 55 and older increased by 3,636 people or 18.15 percent. The growth in Fulton County was 18,565 people or 16.87 percent. Estimates show that the PMA's population age of 55 and older is expected to increase by 1,018 or 4.3 percent from 2000 to 2004, while the county's population age 55 and older is projected to increase by 32,728 or 25.45 percent during the same four year time period (Table 6).

From 1990 to 2000, the primary market area's number of senior householders (55+) increased from 10,323 to 15,285 which is an increase of 4,962 or 48.07 percent. Fulton County increased by 21,766 households from 60,326 to 82,092, which is an increase of 36 percent. From 2000 to 2004, it is projected that the elderly (55+) household count will increase by an additional 1,287 and 12,129 in the primary market area and Fulton County respectively (Table 7).

Table 5 - Trends in Population and Households, PMA and Fulton County

Fulton County	Change 1990 to 2000								Change 2000 to 2002				Change 2000 to 2004			
					Total		Annual		Total		Annual		Total		Annual	
	1990	2000	2002	2004	#	%	#	%	#	%	#	%	#	%	#	%
Population	648,951	816,006	840,962	866,682	167,055	25.7%	16,706	2.3%	24,956	3.1%	12,478	1.5%	50,676	6.2%	12,669	1.5%
Households	257,140	321,242	336,581	347,304	64,102	24.9%	6,410	2.3%	15,339	4.8%	7,670	2.4%	26,062	8.1%	6,515	2.0%

The Primary Market Area	Change 1990 to 2000								Change 2000 to 2002				Change 2000 to 2004			
					Total		Annual		Total		Annual		Total		Annual	
	1990	2000	2002	2004	#	%	#	%	#	%	#	%	#	%	#	%
Population	103,937	110,657	111,073	111,491	6,720	6.5%	672	0.6%	416	0.4%	208	0.2%	834	0.8%	209	0.2%
Households	36,153	39,759	39,910	40,061	3,606	10.0%	361	1.0%	151	0.4%	75	0.2%	302	0.8%	75	0.2%

Source: Projections, Real Property Research Group, Inc.
note: annual change is compounded rate

Annual Household Growth Rate 2002-2004

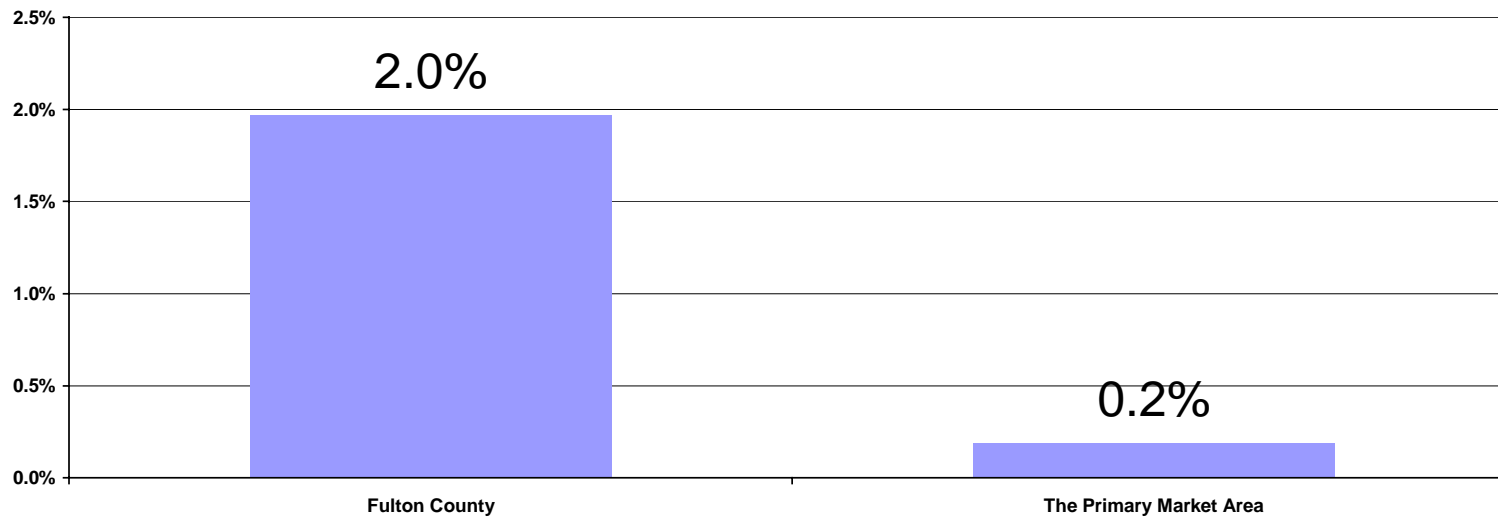


Table 6 - Senior Population Trends, PMA and Fulton County

The Primary Market Area							
Age of Population	1990		2000		2002		2005
55 to 61	6,706	33.5%	7,659	32.4%	8,037	33.4%	8,639 35.0%
62 to 64	2,581	12.9%	2,885	12.2%	2,856	11.9%	2,813 11.4%
65 to 69	3,681	18.4%	4,257	18.0%	4,251	17.7%	4,242 17.2%
70 to 74	2,892	14.4%	3,279	13.9%	3,291	13.7%	3,310 13.4%
75 to 79	2,145	10.7%	2,417	10.2%	2,407	10.0%	2,392 9.7%
80 to 84	1,169	5.8%	1,678	7.1%	1,676	7.0%	1,673 6.8%
85 and older	858	4.3%	1,493	6.3%	1,541	6.4%	1,617 6.6%
Population 55+	20,032	100.0%	23,668	100.0%	24,059	100.0%	24,686 100.0%

Fulton County							
Age of Population	1990		2000		2002		2005
55 to 61	32,286	29.3%	45,923	35.7%	51,704	37.3%	65,542 40.6%
62 to 64	13,178	12.0%	13,685	10.6%	14,803	10.7%	17,322 10.7%
65 to 69	20,205	18.4%	19,125	14.9%	20,632	14.9%	24,013 14.9%
70 to 74	15,826	14.4%	16,634	12.9%	17,138	12.4%	18,192 11.3%
75 to 79	12,942	11.8%	13,896	10.8%	14,066	10.2%	14,411 8.9%
80 to 84	8,886	8.1%	9,753	7.6%	10,128	7.3%	10,920 6.8%
85 and older	6,710	6.1%	9,582	7.5%	10,010	7.2%	10,925 6.8%
Population 55+	110,033	100.0%	128,598	100.0%	138,482	100.0%	161,326 100.0%

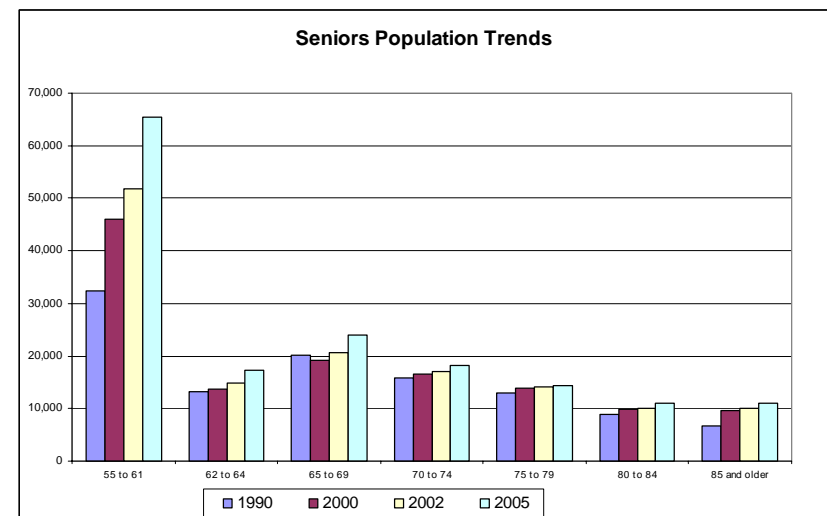
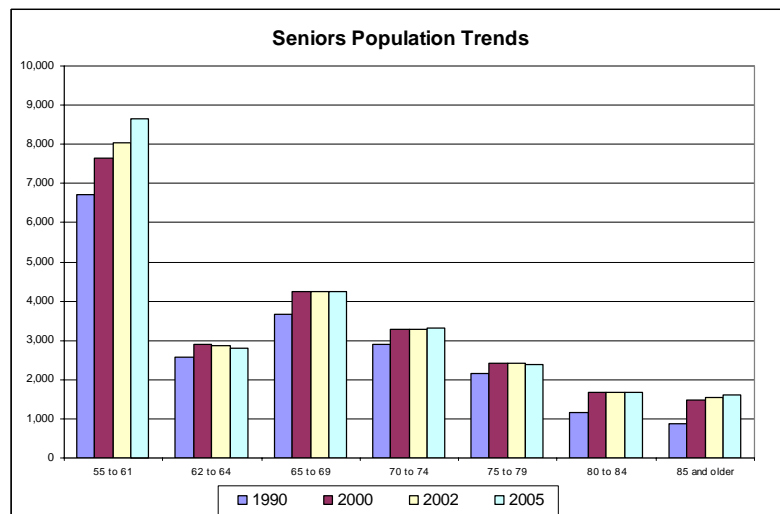
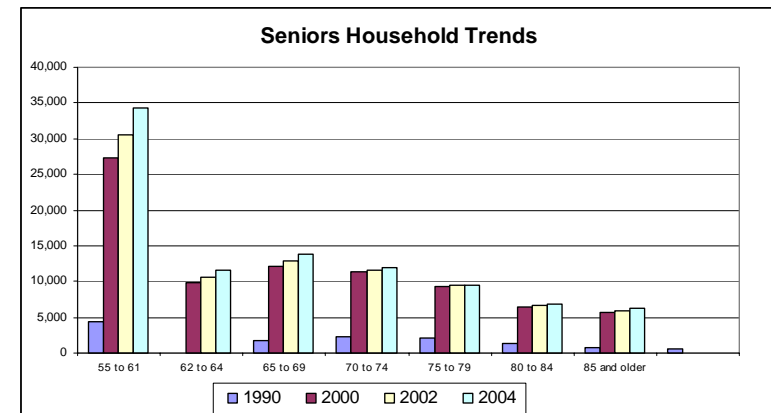
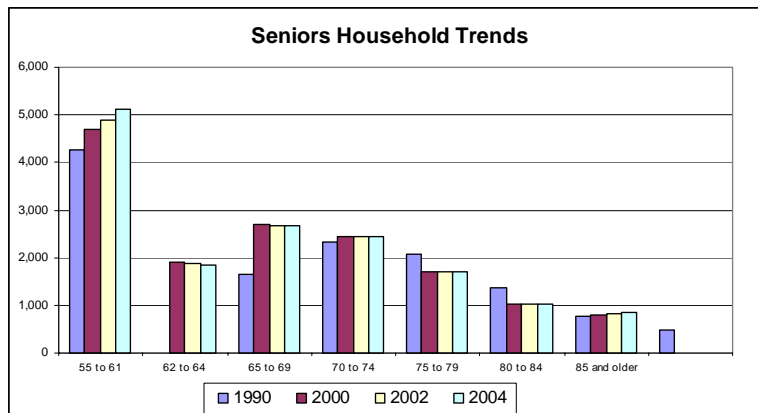


Table 7 - Senior Household Trends, PMA and Fulton County

The Primary Market Area								
Age of Householder	1990		2000		2002		2004	
55 to 61	1,644	15.9%	4,697	30.7%	4,902	31.7%	5,116	32.6%
62 to 64	1,644	15.9%	1,912	12.5%	1,883	12.2%	1,854	11.8%
65 to 69	2,339	22.7%	2,696	17.6%	2,687	17.4%	2,678	17.1%
70 to 74	2,088	20.2%	2,453	16.1%	2,455	15.9%	2,456	15.7%
75 to 79	1,358	13.2%	1,712	11.2%	1,709	11.0%	1,706	10.9%
80 to 84	765	7.4%	1,024	6.7%	1,023	6.6%	1,021	6.5%
85 and older	485	4.7%	791	5.2%	816	5.3%	842	5.4%
Householders 55+	10,323	100.0%	15,285	100.0%	15,473	100.0%	15,672	100.0%

Fulton County								
Age of Householder	1990		2000		2002		2004	
55 to 61	8,285	13.7%	27,277	33.2%	30,576	34.8%	34,274	36.4%
62 to 64	8,285	13.7%	9,906	12.1%	10,669	12.1%	11,490	12.2%
65 to 69	12,949	21.5%	12,052	14.7%	12,951	14.7%	13,918	14.8%
70 to 74	11,407	18.9%	11,360	13.8%	11,658	13.3%	11,963	12.7%
75 to 79	8,782	14.6%	9,343	11.4%	9,419	10.7%	9,495	10.1%
80 to 84	6,298	10.4%	6,451	7.9%	6,673	7.6%	6,903	7.3%
85 and older	4,319	7.2%	5,703	6.9%	5,935	6.8%	6,177	6.6%
Householders 55+	60,326	100.0%	82,092	100.0%	87,881	100.0%	94,221	100.0%

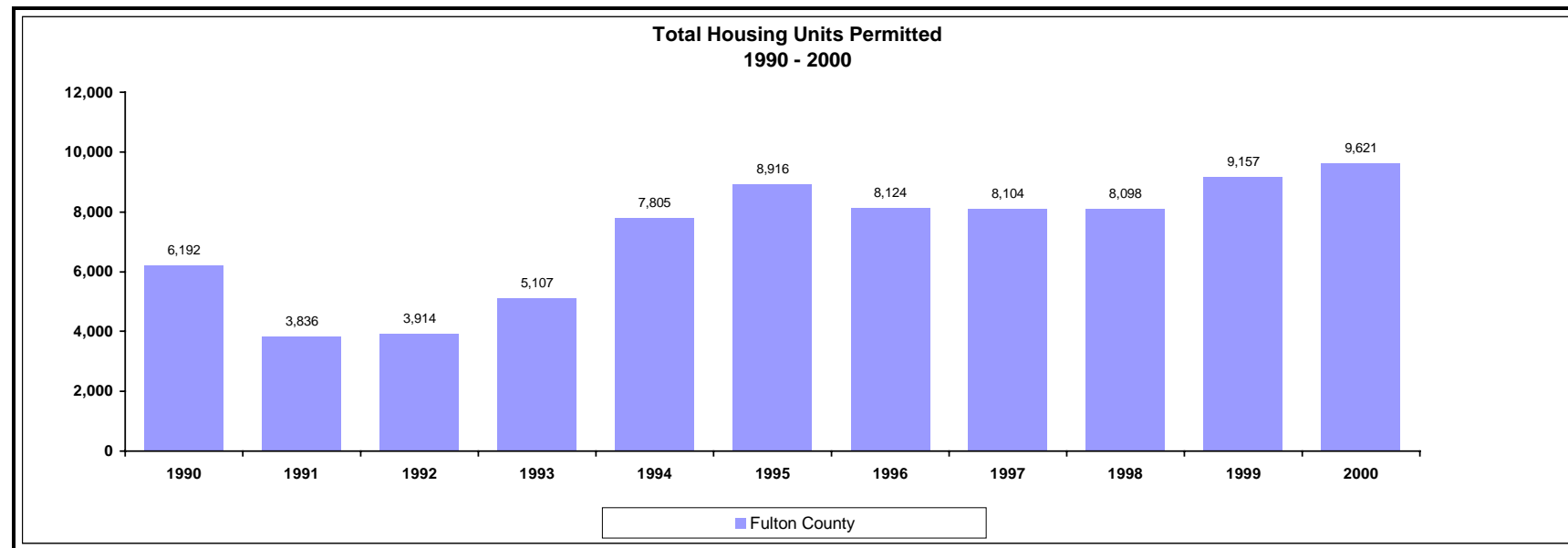


C. Recent Building Permit Activity

Average annual permit activity in the county over the last decade was 7,170 units, higher than the average household growth of 6,410 (Table 8). According to the annual average of the past decade, 44.7 percent of the building permits have been multifamily. According to 2000 Census data, 48.0 percent of the householders in the county are renters.

Table 8 - Fulton County Building Permits, 1990 - 2000

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1990-2000	Annual
Single Family	3,174	3,392	3,743	4,137	3,980	3,801	3,654	4,435	5,011	4,791	3,446	40,390	3,960
Two Family	44	44	46	22	16	24	30	24	30	72	56	364	37
3 - 4 Family	7	0	4	8	46	7	14	7	64	59	152	361	33
5 or more Family	2,967	400	121	940	3,763	5,084	4,426	3,638	2,993	4,235	5,967	31,567	3,139
Total	6,192	3,836	3,914	5,107	7,805	8,916	8,124	8,104	8,098	9,157	9,621	72,682	7,170



D. Demographic Characteristics

With the recent release of 2000 Census data, we can look at demographic characteristics of the census tracts in the primary market area and Fulton County.

A review of the population by age bracket in the PMA versus Fulton County (Table 9) shows that the two areas have noticeable differences in terms of age of population. The primary market area has a much higher proportion of its residents over the age of 54 (21.3 percent versus 15.7 percent) compared to the county. The market also has a higher proportion of its population under the age of 18 years (28.8 percent) than does the county (24.4 percent) and. Fulton County has a higher percentage in each age bracket between the ages of 18 and 54 years of age.

In terms of household types (Table 10), Fulton County has a much higher percentage of married households (37.3 versus 28.5 percent). Despite the much lower marriage rate, the primary market area has a higher rate of children present, 39 percent versus 28.8 percent. This is due primarily to single female householders with children. Fulton County has a higher proportion of householders living alone (Table 9). Overall, it appears that Fulton County is comprised of middle aged, married householders with children. The primary market area has more residents on either end of the age spectrum with a much lower marriage rate but more children.

Table 9 - 2000 Age Distribution

	Fulton County		The Primary Market Area	
	#	%	#	%
Under 10 years	114,948	14.1%	17,945	16.2%
10-17 years	84,342	10.3%	13,911	12.6%
18-24 years	89,602	11.0%	10,929	9.9%
25-34 years	151,534	18.6%	14,606	13.2%
35-44 years	137,850	16.9%	15,550	14.1%
45-54 years	109,132	13.4%	14,048	12.7%
55-59 years	35,031	4.3%	5,512	5.0%
60-64 years	24,577	3.0%	5,032	4.5%
65-69 years	19,125	2.3%	4,257	3.8%
70-74 years	16,634	2.0%	3,279	3.0%
75 and older	33,231	4.1%	5,588	5.0%
TOTAL	816,006	100.0%	110,657	100.0%

Source: U.S. Census of Population and Housing, 2000

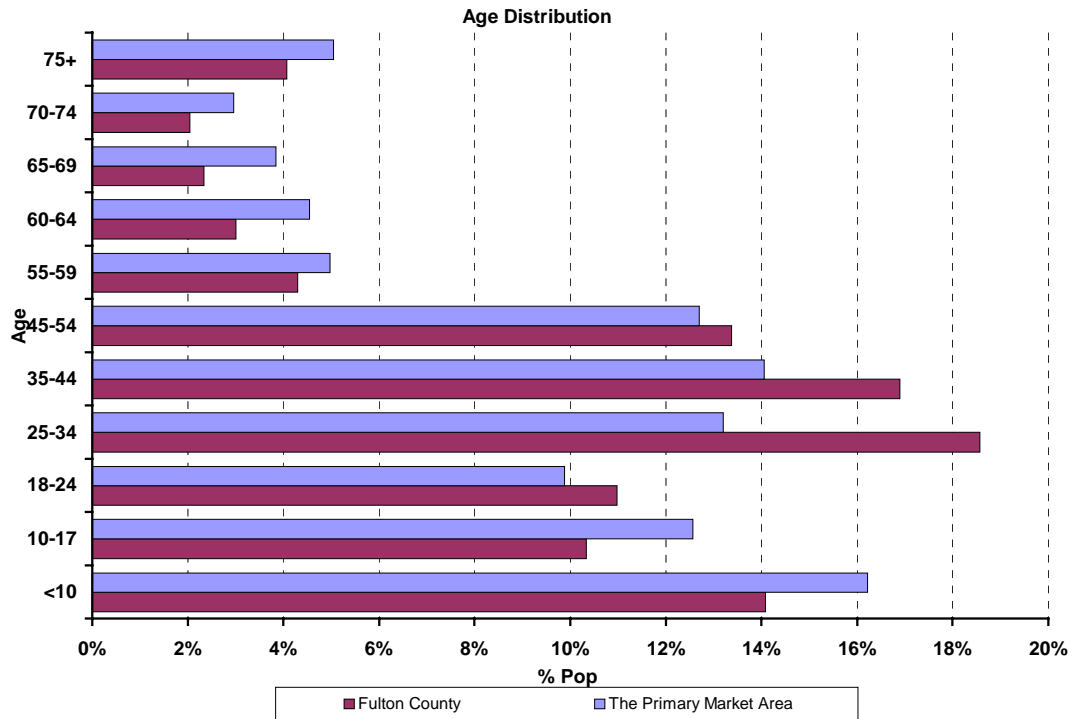
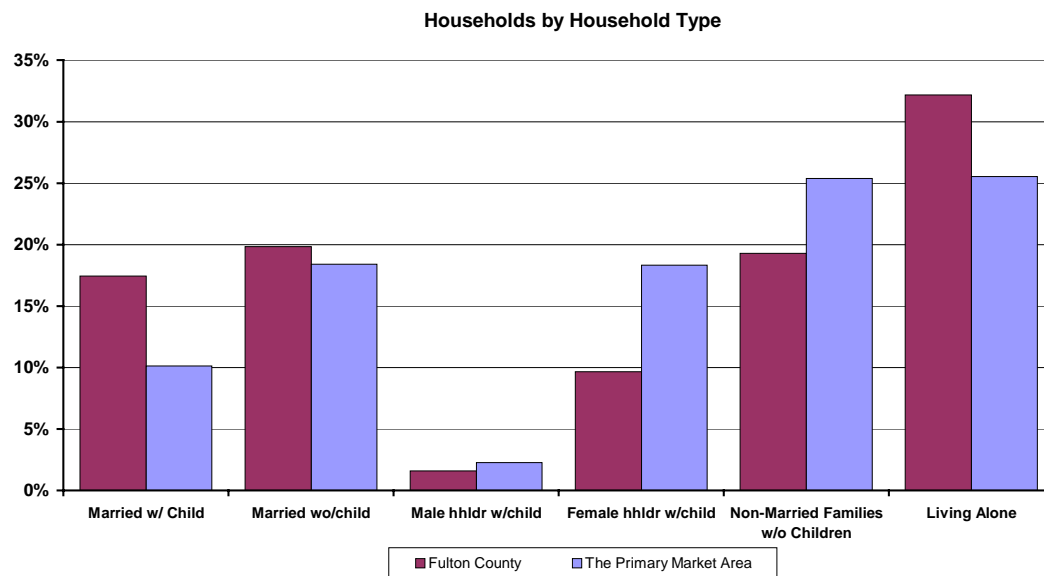


Table 10 - 2000 Households by Household Type

	Fulton County		The Primary Market Area	
	#	%	#	%
Married w/ Child	56,059	17.5%	4,022	10.1%
Married wo/child	63,655	19.8%	7,320	18.4%
Male hhldr w/child	5,088	1.6%	895	2.3%
Female hhldr w/child	31,109	9.7%	7,277	18.3%
Non-Married Families w/o Children	61,939	19.3%	10,095	25.4%
Living Alone	103,392	32.2%	10,150	25.5%
Total	321,242	100.0%	39,759	100.0%

Source: U.S. Census of Population and Housing, 2000



The majority of the householders in both the primary market area and Fulton County are renters. In 2000, 46.3 percent of the householders in the PMA were renters (Table 11). In comparison, 48 percent of Fulton County householders rented. Homeownership increased by 0.5 percent over the past ten years in the market area and by 2.5 percent in the county.

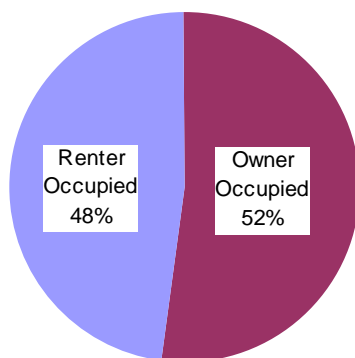
Table 11 - 1990 & 2000 Dwelling Units by Occupancy Status

1990	Fulton County		The Primary Market Area	
Total Households	#	%	#	%
Owner Occupied	127,318	49.5%	19,234	53.2%
Renter Occupied	129,822	50.5%	16,938	46.8%
Total Occupied	257,140	100.0%	36,172	100.0%

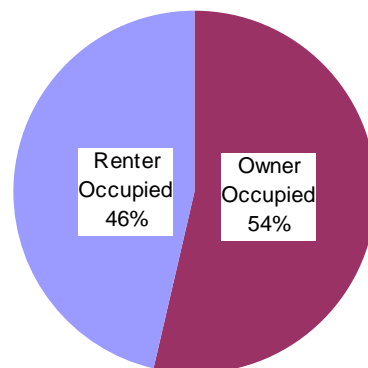
	Fulton County		The Primary Market Area	
Total Households	#	%	#	%
Owner Occupied	167,119	52.0%	21,356	53.7%
Renter Occupied	154,123	48.0%	18,403	46.3%
Total Occupied	321,242	100.0%	39,759	100.0%

Source: U.S. Census of Population and Housing, 1990 & 2000

Fulton County



The Primary Market Area

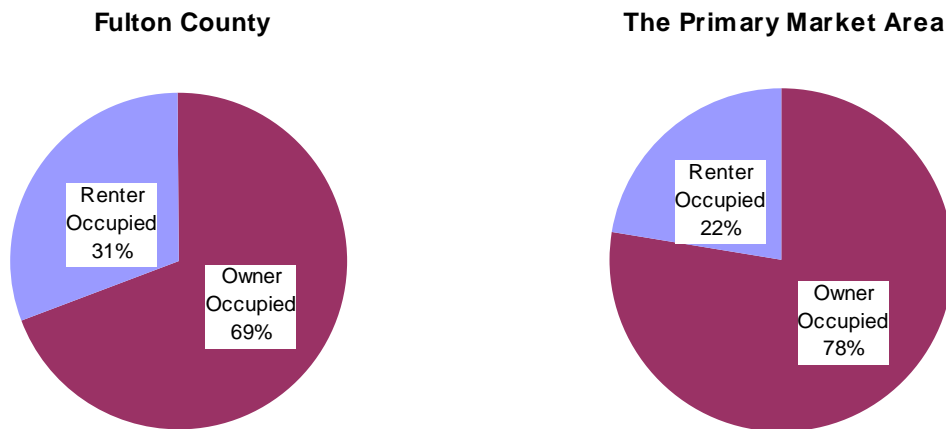


The primary market area has a lower percentage of elderly renter households as 22.4 percent of householder age 55 and older rent according to the 2000 census. In Fulton County, the renter percentage among this age group was 30.7 percent (Table 12). The renter percentage among senior households is lower than the universe of all households in both areas.

Table 12 - 2000 Senior Household Occupancy Status

	Fulton County		The Primary Market Area	
Senior Households 55+	#	%	#	%
Owner Occupied	56,849	69.3%	11,855	77.6%
Renter Occupied	25,243	30.7%	3,430	22.4%
Total Occupied	82,092	100.0%	15,285	100.0%

Source: U.S. Census of Population and Housing, 1990

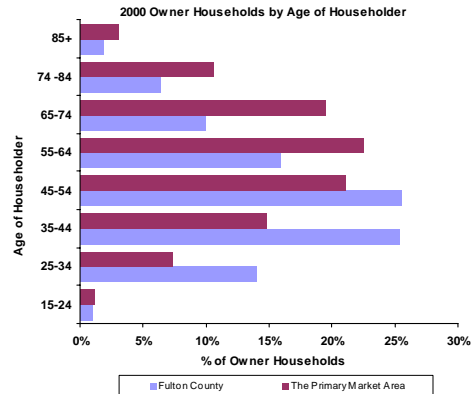
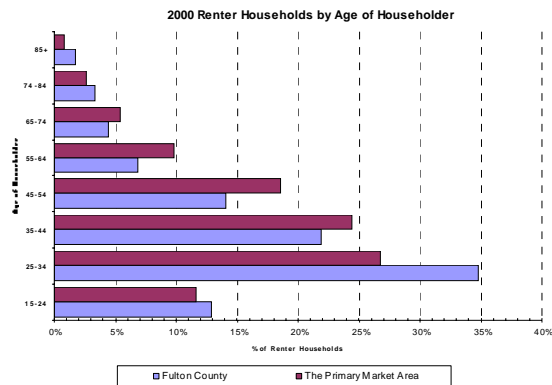


A review of the age of householder by tenure reveals that the primary market area has a higher concentration on either end of the age spectrum for owner householders (Table 13). The primary market area has a higher percentage in the lowest age bracket and in all age brackets over the age 54. Fulton County has 65.1 percent over its population between the ages of 25 and 54 while the PMA has 43.4 percent in this same age bracket. The age of households for renter households is opposite with the primary market area having a higher percentage in the middle age groups. The market area has 58.2 percent of its renter householders between the age of 35 and 74 compared to 47.1 percent in Fulton County. Fulton County has a higher percentage of renter householders under the age of 35 and over the age of 74.

Table 13 - 2000 Households by Tenure & Age of Householder

Owner Households		Fulton County		The Primary Market Area	
Age of HHldr		#	%	#	%
15-24 years		1,652	1.0%	248	1.2%
25-34 years		23,500	14.1%	1,572	7.4%
35-44 years		42,413	25.4%	3,175	14.9%
45-54 years		42,705	25.6%	4,506	21.1%
55-64 years		26,645	15.9%	4,797	22.5%
65-74 years		16,590	9.9%	4,152	19.4%
75 to 84 years		10,607	6.3%	2,256	10.6%
85+ years		3,007	1.8%	650	3.0%
Total		167,119	100%	21,356	100%

Renter Households		Fulton County		The Primary Market Area	
Age of HHldr		#	%	#	%
15-24 years		19,921	12.9%	2,140	11.6%
25-34 years		53,604	34.8%	4,917	26.7%
35-44 years		33,748	21.9%	4,493	24.4%
45-54 years		21,607	14.0%	3,423	18.6%
55-64 years		10,538	6.8%	1,812	9.8%
65-74 years		6,822	4.4%	997	5.4%
75 to 84 years		5,187	3.4%	480	2.6%
85+ years		2,696	1.7%	141	0.8%
Total		154,123	100%	18,403	100%



E. Income Characteristics

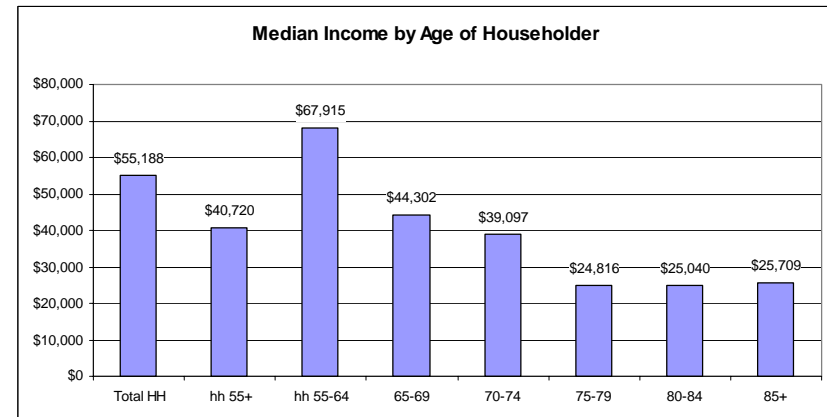
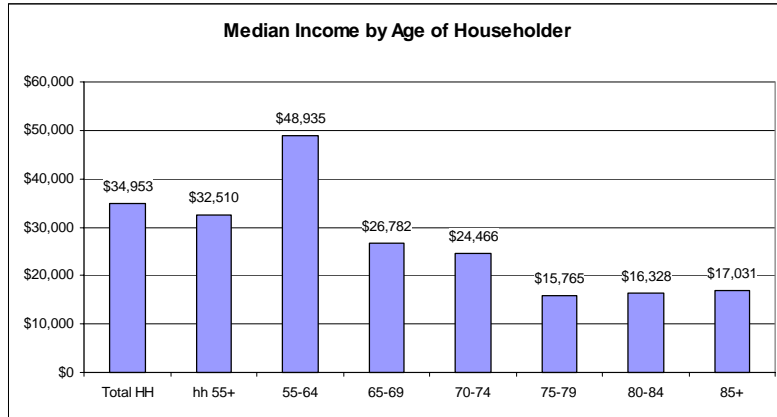
Claritas Data Services, Inc. estimates the 2001 median household income for Fulton County to be \$55,188 (Table 14). The median household income in the primary market area is \$34,953, which is approximately 63.3 percent of the county median.

The median household income for senior households (55+) is \$32,510 in the primary market area, which is approximately 80 percent of the county's median household income of \$40,720 for the same age classification. In both areas, the income from age 55 to 64 is the highest among elderly households. The median income generally decreases with each age cohort beginning with age 65. the exception to this general trend is that the income of those age 80-84 is slightly higher than those age 75-79.

Table 14 - 2001 Household Income Distribution, PMA and Fulton County

The Primary Market Area								
Income in 2001	Total	55+	55-64	65-69	70-74	75-79	80-84	85+
Total Households.	39,845	14,331	5,649	2,691	2,454	1,710	1,024	804
Under \$5,000	3,524	1,151	48	256	272	279	172	125
\$5,000-\$9,999	3,339	1,476	51	367	359	353	199	147
\$10,000-\$14,999	2,692	944	41	238	239	203	120	103
\$15,000-\$24,999	5,598	1,467	100	432	377	269	155	133
\$25,000-\$34,999	4,787	989	89	296	282	159	95	68
\$35,000-\$49,999	5,847	1,186	114	376	331	177	107	81
\$50,000-\$74,999	7,017	1,243	188	382	330	160	103	80
\$75,000-\$99,999	3,562	523	108	173	126	55	35	26
\$100,000-\$149,999	2,401	349	85	105	86	33	17	22
\$150,000-\$249,999	931	195	39	55	46	21	18	17
\$250,000-\$499,999	110	21	5	6	5	1	2	2
\$500,000 or More	37	10	2	6	1	1	0	0
Median Income....	\$34,953	\$32,510	\$48,935	\$26,782	\$24,466	\$15,765	\$16,328	\$17,031

Fulton County								
Income in 2001	Total	55+	55-64	65-69	70-74	75-79	80-84	85+
Total Households.	325,314	61,327	11,924	14,428	12,118	9,534	7,021	6,302
Under \$5,000	11,529	3,079	206	67	738	669	745	655
\$5,000-\$9,999	11,908	4,709	294	72	1,167	1,055	1,127	995
\$10,000-\$14,999	12,949	3,193	210	63	819	718	724	660
\$15,000-\$24,999	25,739	4,819	339	133	1,410	1,166	932	839
\$25,000-\$34,999	25,613	3,384	259	126	1,044	852	584	519
\$35,000-\$49,999	34,366	4,466	354	185	1,421	1,123	730	654
\$50,000-\$74,999	49,265	5,377	478	293	1,728	1,340	790	749
\$75,000-\$99,999	39,622	3,071	297	205	1,116	801	355	298
\$100,000-\$149,999	42,476	3,225	333	242	1,123	765	400	362
\$150,000-\$249,999	37,621	2,667	271	192	892	603	369	342
\$250,000-\$499,999	22,914	1,187	117	81	404	267	166	151
\$500,000 or More	11,310	735	74	51	256	176	99	79
Median Income....	\$55,188	\$40,720	\$67,915	\$44,302	\$39,097	\$24,816	\$25,040	\$25,709



VII. Project Specific Demand Analysis

A. Proposed Unit Mix and Income Limits

The following table shows the floorplans to be offered at Misty Amber Senior Apartments. Tax credit units are all those targeting renters earning no more than 60 percent of the Area Median Income. Any proposed market rate units will be noted as targeting 80 percent of the AMI. The “Minimum Income” column was calculated assuming that tenants will pay no more than 40 percent of their income for total housing cost for family units and no more than 40 percent for elderly units. The “Maximum Income” limit was calculated using the 2002 HUD Income Limit of \$71,200 for the Atlanta MSA, in which the project is located.

According to the 2002 Qualified Allocation Plan, maximum allowable project rents in the Atlanta MSA must be calculated using 54 percent of the Area Median Income, adjusted for household size. However, tenant eligibility for the units priced at 54 percent of the median is based on 60 percent of the AMI. The “maximum income” and “maximum gross rent” columns in the table below are based on 60 percent of the AMI, however the “planned gross rent” is based on 54 percent.

Table 15 - Project Specific LIHTC Rent Limits, Atlanta MSA

Floorplans & Type of Units	Maximum % of AMI	Number of Units	Bedrooms	Planned Net Rent	Utility Allowance	Planned Gross Rent	Maximum Gross Rent	Maximum Income	Minimum Income
PBRA	50%	13	1	\$314	\$87	\$401	\$668	\$26,700	\$12,030
PBRA	50%	3	2	\$369	\$112	\$481	\$801	\$28,500	\$14,430
LIHTC	50%	36	1	\$511	\$87	\$598	\$668	\$26,700	\$17,940
LIHTC	50%	11	2	\$611	\$112	\$723	\$801	\$28,500	\$21,690
LIHTC	60%	46	1	\$561	\$87	\$648	\$801	\$32,040	\$19,440
LIHTC	60%	12	2	\$671	\$112	\$783	\$962	\$34,200	\$23,490
MKT Rate	80%	25	1	\$540	\$87	\$627	\$1,068	\$42,720	\$18,810
MKT Rate	80%	6	2	\$770	\$112	\$882	\$1,282	\$45,600	\$26,460

For the 16 units with project based rental assistance, there will be no minimal income limit or set rent. The rent paid will vary for each tenant and will be based on income. The rents and minimum income limits for the “PBRA” units in the table above assume that this assistance is not received.

B. Affordability Analysis

The following affordability analysis shows the penetration rate of income eligible households required to lease up the community. (Table 16). This penetration rate should not be confused with the capture rates based on DCA demand components shown in the following section.

- Using a 40 percent underwriting criteria, we determined that the average proposed 50 percent gross one bedroom rent (\$598) would be affordable to households earning a minimum of \$17,940, which includes 8,021 households in the primary market area age 55 and older.
- Based on the 2002 LIHTC income limits for households at 50 percent of median income, the maximum income allowed for a one bedroom unit in this market would be \$26,700. We estimate that 6,631 senior households (55+) within the primary market area have incomes above that maximum.
- Subtracting the 6,631 households with incomes above the maximum income from the 8,021 households that could afford to rent this unit, we compute that 1,390 households are within the band of being able to afford the proposed rent. The proposed 49 50 percent one bedroom units would require a penetration rate of 3.5 percent of all qualified households to lease up all units. Using the same methodology, we determined the band of qualified households for each of the other bedroom types offered in the community.
- Given the income requirements of each unit type and the overlap of income bands, project wide affordability bands were calculated. Looking at all tax credit units, the project will need to absorb 7.0 percent of 1,725 senior households that earn between \$17,940 and \$34,176 in the primary market area.
- By subtracting the 4,409 senior households with income above \$34,176 from the 2004 senior household estimate (15,672), 11,263 households or 71.8 percent of all households earn below the maximum income limit for the tax credit units.
- The 1,725 households with incomes above the minimum **and** below the maximum income limit represent 11.01 percent of the total senior household count.
- Affordability by floorplan indicates that there is a sufficient number of income qualified households for all floorplans at each income level.

Table 16 - 2004 Affordability Analysis for Misty Amber Senior Apartments.

Gross Capture Rate by Income Group

<u>Number of Units</u>		<u>Band of Qualified HHs</u>		<u># Qualified HHs</u>		
50% Units	63	<i>Income</i>	\$17,940	\$28,480	1,167	5.4% Capture Rate
		<i>HHs</i>	6,134	4,967		
60% Units	58	<i>Income</i>	\$19,440	\$34,176	1,549	3.7% Penetration Rate
		<i>HHs</i>	5,958	4,409		
All LIHTC Units	121	<i>Income</i>	\$17,940	\$34,176	1,725	7.0% Penetration Rate
		<i>HHs</i>	6,134	4,409		
Market Rate Units	31	<i>Income</i>	\$22,110	\$42,720	1,853	1.7% Penetration Rate
		<i>HHs</i>	5,646	3,793		

Table 17 - 2004 Affordability Analysis for Misty Amber Senior Apartments, by floorplan.

Capture Rate by Unit Type

One Bedroom Units				Two Bedroom Units			
50% Units	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum	
	Number of Units	49		Number of Units	14		
	Net Rent	\$511		Net Rent	\$611		
	Gross Rent	\$598		Gross Rent	\$723		
	% Income for Shelter	40%		% Income for Shelter	40%		
	Income	\$17,940	\$26,700	Income	\$21,690	\$28,480	
	Range of Qualified Hslds	6,134	5,141	Range of Qualified Hslds	5,695	4,967	
	# Qualified Households		993	# Qualified Households		728	
	Unit Capture Rate		4.9%	Unit Capture Rate		1.9%	
60% Units	One Bedroom Units			Two Bedroom Units			
	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum	
	Number of Units	46		Number of Units	12		
	Net Rent	\$561		Net Rent	\$671		
	Gross Rent	\$648		Gross Rent	\$783		
	% Income for Shelter	40%		% Income for Shelter	40%		
	Income	\$19,440	\$32,040	Income	\$23,490	\$34,176	
	Range of Qualified Hslds	5,958	4,618	Range of Qualified Hslds	5,484	4,409	
	# Qualified Households		1,340	# Qualified Households		1,075	
	Unit Penetration Rate		3.4%	Unit Penetration Rate		1.1%	
Market Rate (80%)	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum	
	Number of Units	25		Number of Units	6		
	Net Rent	\$650		Net Rent	\$770		
	Gross Rent	\$737		Gross Rent	\$882		
	% Income for Shelter	40%		% Income for Shelter	40%		
	Income	\$22,110	\$39,840	Income	\$26,460	\$42,720	
	Range of Qualified Hslds	5,646	3,993	Range of Qualified Hslds	5,165	3,793	
	# Qualified Households		1,653	# Qualified Households		1,372	
	Unit Capture Rate		1.5%	Unit Capture Rate		0.4%	

C. Demand Estimates and Capture Rates

DCA's demand methodology for senior rental developments consists of four components and is calculated using the developer's designation of older persons (55+).

The first component of demand is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 1990 US Census data, the percentage of households in Atlanta that are "substandard" is 4.38 percent.

The second component of demand is population growth. This number is the number of age and income qualified renter households anticipated to move into the market area within the next two years.

The third component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to 1990 Census data, 40.51 percent of the primary market area's renter households are categorized as cost burdened. This segment of demand is often overstated in urban areas because households are also included in other demand segments and they are all not likely to move. Furthermore, as the minimum income limit for senior units is calculated assuming that the tenants can pay up to 40 percent of income for housing, many in this segment would still be technically rent overburdened in the proposed community. For these reasons, only 35 percent of the demand from cost burdened households is considered achievable.

The final component of demand is from homeowners converting to rental housing. There is a lack of detailed local or regional information regarding the movership of elderly homeowners to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 1999, 4.19 percent of elderly households move each year. Of those moving within the past twelve months, 38.79 percent moved from owned to rental housing. Given the lack of local information, this source is considered to be the most current and accurate.

Although the majority of the units will not offer project based rental subsidies for all units, Section 8 vouchers will be accepted. Given the lack of affordable housing in the area, many of the units at Misty Amber Senior Apartments are expected to be leased by holders of Section 8 vouchers. The capture rate for the 226 tax credit units at Misty Amber Senior Apartments is 4.3 percent without a minimum income limit and 22.2 percent with a minimum income limit. These capture rates are considered achievable given the state of the existing senior rental housing market.

The demand for the 31 market rate units is 6.5 percent with a minimum income limit. The minimum income requirement will apply to all market rate units.

Table 18 - Tax Credit Demand Estimates, Misty Amber Senior Apartments

<i>For Tax Credit Units Demand From Renters Earning < \$34200</i>	<i>The Primary Market Area</i>
Substandard Households	119
Household Growth	35
Cost Burdened	1,096
Home to Apt Migration	1,546
Total Demand	2,795
Units in Subject Property	121
Capture Rate	4.3%

<i>For Tax Credit Units Demand From Renters Earning < \$34200 and > \$12030</i>	<i>The Primary Market Area</i>
Substandard Households	23
Household Growth	7
Cost Burdened	213
Home to Apt Migration	301
Target Segment Demand	544
Units in Subject Property	121
Target Segment Capture Rate	22.2%

Table 19 - Market Rate Demand Estimates, Misty Amber Senior Apartments

For Tax Credit Units Demand

From Renters Earning < \$45600 and > \$18810 The Primary Market Area

Substandard Households	20
Household Growth	6
Cost Burdened	186
Home to Apt Migration	263
Target Segment Demand	475
Units in Subject Property	31
Target Segment Capture Rate	6.5%

Table 20 - Detailed Tax Credit Demand Estimates, Misty Amber Senior Apartments

Demand for Tax Credit Units from Substandard Households

<div>2004 Households 55+</div> <div>15,672</div>	times	<div>% Substandard Households</div> <div>4.38%</div>	equals	<div>2004 Substandard Households 55+</div> <div>686</div>
<div>2004 Substandard Households 55+</div> <div>686</div>	times	<div>% of Renters Per Census</div> <div>22%</div>	equals	<div>Substandard Renter Households 55+</div> <div>154</div>
<div>Substandard Renter Households 55+</div> <div>154</div>	times	<div>% Earning < \$34,200 & < \$12,030</div> <div>15.00%</div>	equals	<div>Substandard Renter Households 55+ Earning < \$34,200 & > \$12,030</div> <div>23</div>
<div>Substandard Renter Households 55+</div> <div>154</div>	times	<div>% Earning < \$34,200</div> <div>77.07%</div>	equals	<div>Substandard Renter Households 55+ Earning < \$34,200</div> <div>119</div>

Demand for Tax Credit Units from Household Growth

2004 Households 55+		2002 Households 55+			Population Change
15,672	minus	15,473	equals		199
Population Change		% of Renters Per Census			Renter Household Change
199	times	22.40%	equals		45
New Renter Households 55+		% Earning < \$34,200 & < \$12,030			New Renter Households 55+ Earning < \$34,200 & > \$12,030
45	times	15.00%	equals		7
New Renter Households 55+		% Earning < \$34,200			New Renter Households 55+ Earning < \$34,200
45	times	77.07%	equals		35

Demand for Tax Credit Units from Cost Burdened Renters

2004 Households 55+		% of Renters Per Census			2004 Renter Households 55+
15,672	times	22.40%	equals		3,511
2004 Renter Households 65+		% Cost Burdened			Cost Burdened Renter Households 65+
3,511	times	40.51%	equals		1,422
2004 Cost Burdened Renter Households 55+		% Earning < \$34,200 & < \$12,030			Cost Burdened Renter Households 55+ Earning < \$34,200 & > \$12,030
1,422	times	15.00%	equals		213
2004 Cost Burdened Renter Households 55+		% Earning < \$34,200			Cost Burdened Renter Households 55 +Earning < \$34,200
1,422	times	77.07%			1,096

Demand for Tax Credit Units from Homeowners Becoming Renters

<table><tr><td>2004 Households 55+</td></tr><tr><td>15,672</td></tr></table>	2004 Households 55+	15,672	times	<table><tr><td>% Moving within 12 Months</td></tr><tr><td>33.00%</td></tr></table>	% Moving within 12 Months	33.00%	equals	<table><tr><td>2004 Households 55+ Likely to Move</td></tr><tr><td>5,172</td></tr></table>	2004 Households 55+ Likely to Move	5,172
2004 Households 55+										
15,672										
% Moving within 12 Months										
33.00%										
2004 Households 55+ Likely to Move										
5,172										
<table><tr><td>2004 Households 55+ Likely to Move</td></tr><tr><td>5,172</td></tr></table>	2004 Households 55+ Likely to Move	5,172	times	<table><tr><td>% of those moving to from owned to rental housing</td></tr><tr><td>38.79%</td></tr></table>	% of those moving to from owned to rental housing	38.79%	equals	<table><tr><td>2004 Households 55+ Moving to Rental Housing</td></tr><tr><td>2,006</td></tr></table>	2004 Households 55+ Moving to Rental Housing	2,006
2004 Households 55+ Likely to Move										
5,172										
% of those moving to from owned to rental housing										
38.79%										
2004 Households 55+ Moving to Rental Housing										
2,006										
<table><tr><td>2004 Households 55+ Moving to Rental Housing</td></tr><tr><td>2,006</td></tr></table>	2004 Households 55+ Moving to Rental Housing	2,006	times	<table><tr><td>% Earning < \$34,200 & < \$12,030</td></tr><tr><td>15.00%</td></tr></table>	% Earning < \$34,200 & < \$12,030	15.00%	equals	<table><tr><td>Substandard Households 55+ Earning < \$34,200 & > \$12,030</td></tr><tr><td>301</td></tr></table>	Substandard Households 55+ Earning < \$34,200 & > \$12,030	301
2004 Households 55+ Moving to Rental Housing										
2,006										
% Earning < \$34,200 & < \$12,030										
15.00%										
Substandard Households 55+ Earning < \$34,200 & > \$12,030										
301										
<table><tr><td>Substandard Households Earning < \$34,200</td></tr><tr><td>2,006</td></tr></table>	Substandard Households Earning < \$34,200	2,006	times	<table><tr><td>% Earning < \$34,200</td></tr><tr><td>77.07%</td></tr></table>	% Earning < \$34,200	77.07%		<table><tr><td>Demand from Substandard Renter Households</td></tr><tr><td>1,546</td></tr></table>	Demand from Substandard Renter Households	1,546
Substandard Households Earning < \$34,200										
2,006										
% Earning < \$34,200										
77.07%										
Demand from Substandard Renter Households										
1,546										

D. Tax Credit Demand Estimates and Capture Rates by Floorplan

Table 21 - Demand Estimates and Capture Rates by Floorplan

	One Bedroom	Two Bedroom
Demand from Substandard HH	154	154
Demand from New Rental HH	45	45
Demand from Cost Burdened Rental HH (35%)	498	498
Homeowners Becoming Renters	2,006	2,006
PMA Total Demand	2,703	2,703
PMA Income Qualified %	14.36%	10.83%
PMA Qualified Demand	1,373	1,295
Units	95	26
Capture Rate	24.48%	8.87%

The “PMA Total Demand” figure shown in the table above shows the demand from the four DCA stipulated components without income affordability applied. The percentages of the total households earning within the various floorplan specific income segments are then applied to this total demand number. The capture rates by floorplan indicate that the unit mix is appropriate. These capture rates are in line with the overall capture rate for the tax credit units at Misty Amber Senior Apartments.

E. Absorption Estimate

There are no new senior oriented rental communities located in or near the primary market area from which and absorption estimates can be estimated. Based on the lack of affordable senior oriented rental units in this region of Atlanta and Fulton County, the strong demand estimates, the competitive rents, and the strong product to be constructed, it is assumed that the proposed development will lease a minimum of 15 units per month. At this rate, Misty Amber Senior Apartments should be able to attain 95 percent occupancy within 9 to 10 months.

VIII. Supply Analysis

A. Area Housing Stock

The rental housing stock as reported in the 1990 Census included a relatively low percentage of single-family homes with 14 percent of the county's rental units located in single-family detached homes. In the primary market area, 18 percent of the rental units were single-family homes. In Fulton County, 9 percent of rental units were in either townhouse or duplex units. Only 5 percent of the PMA's rental stock falls into either of these categories.

A sizable percentage of the rental units, 64 percent, in the primary market area had between three and nineteen units. In Fulton County, 56 percent of units were in properties of this size.

Rental communities with twenty or more units accounted for 11 percent of the total rental housing stock in the primary market area and 19 percent in the county. Given the lack of new construction in the market area within the past ten years, it is unlikely that this composition has changed significantly.

In the primary market area, less than 1 percent of the rental units were mobile homes. Fulton County had less than one percent of its rental housing stock in mobile home units. This low percentage of mobile homes is expected given the densely populated urban nature of the market area and Fulton County.

Table 22 - 1990 Units in Rental Housing

<i>Units in Rental Housing</i>	<i>Fulton County</i>		<i>The Primary Market Area</i>	
Renter 1 unit detached	18,459	14%	3,093	18%
Renter 1 unit attached	4,193	3%	377	2%
Renter 2 units	7,168	6%	539	3%
Renter 3 or 4 units	14,748	11%	2,048	12%
Renter 5 to 9 units	29,633	23%	4,724	28%
Renter 10 to 19 units	28,775	22%	3,983	24%
Renter 20 to 49 units	10,997	8%	1,183	7%
Renter 50+ units	13,995	11%	737	4%
Renter mobile home	309	0%	46	0%
Renter other	1,545	1%	208	1%

B. Rental Market

As part of this analysis, Real Property Research Group surveyed 15 rental communities identified within the primary market area. None of the communities within the primary market area are designed to meet the specific need of senior renters. The general occupancy communities are included as an indication of the PMA's rental market as these are the only existing housing options for senior rents. A profile sheet of each community is attached as Appendix 4 - Community Photos and Profiles. The location of each community is shown on Map 4 on the following page.

The 15 properties offer a combined 1,992 units (Table 23). The majority of the communities surveyed (8) offer all garden style units, four offer all townhouse units, one offers both garden and townhouse units, and one offers single story units. Misty Amber Senior Apartments will consist of one four-story mid-rise building with a common, secure entrance and interior hallways. This building style is much more appealing than typical family oriented rental communities.

The multifamily rental stock in the primary market area is fairly old. The average age of the eleven communities for which this piece of data was available is 21 years. Only property has been built since 1976. The majority of the rental communities in the primary market area has not been well maintained and show moderate to severe signs of deferred maintenance. The proposed new construction at Misty Amber Senior Apartments will immediately place it at the top of the market in terms of condition and curb appeal.

Of the 1,992 units in the surveyed properties, 160 units were reported available, a rate of 8.03 percent. This overall average is unduly influenced by one community. Kings Inn Apartments' 68 vacant units represent 42.5 percent of the total vacancies, however the 130 units at this community is only 6.5 of the surveyed units. Without this community in the mix, the vacancy rate among the remaining 14 communities is a more reasonable 4.9 percent. Although the PMA's rental stock is somewhat soft, this community's inability to lease its units is not an accurate representation of the market. The soft rental market is due primarily to the poor condition of the rental communities and the lack of amenities and is not a reflection of limited demand. It is believed that Misty Amber Senior Apartments will be able to overcome this soft market with its newly constructed units and extensive amenities.

Map 4 - Surveyed Rental Communities



Table 23 - Rental Summary

Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	(1)	(1)	Incentive
						Average 1BR Rent	Average 2BR Rent	
Riverwood	1972	Garden	144	12	8.3%	\$609	\$740	None
Kings Inn Apartments	1963	Garden	130	68	52.3%		\$625	None
Hidden Hollow	1992	Garden	216	13	6.0%	\$535	\$595	None
Enclave on Cushman	1961	Garden	48	5	10.4%		\$585	None
Bolton Crossing	1971	Garden	42	8	19.0%		\$575	None
Summitt Crossing		Garden	125	5	4.0%		\$560	None
Chastain Pines		Garden	88	15	17.0%		\$550	None
Windsor Square Townhomes	1972	TH	125	0	0.0%	\$550		None
Raven Ridge		Garden	88	15	17.0%		\$550	None
Park West	1960	TH	100	0	0.0%	\$525		None
Daron Village		Garden&TH	130	5	3.8%		\$447	None
Central Methodist Garden	1976	Garden	240	0	0.0%	\$386	\$447	None
Delmar Villa	1976	Single-story	76	0	0.0%	\$410	\$435	None
London Townhomes	1967	TH	200	4	2.0%	\$293	\$392	None
Fairburn Townhomes	1973	TH	240	10	4.2%	\$239	\$358	None
Total/Average	1971		1,992	160	8.03%	\$443	\$528	

(1) Rent is gross rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. May, 2002.

Fourteen of the fifteen surveyed communities include the cost of water, sewer and trash removal in the price of rent (Table 25). One of the communities only includes the cost of trash removal and none offer more than these basic utility costs. Misty Amber Senior Apartments will include only the cost of trash removal, however the newly constructed units and new central heating and air systems will be more energy efficient than the existing, older communities, which will result in lower overall utility costs.

Dishwashers and garbage disposals are present in 7 and 5 of the properties respectively. Three communities offer both of these kitchen appliances while six offer neither. One of the communities includes a microwave in each unit, but no disposal. Misty Amber Senior Apartments will include both a garbage disposal and dishwasher in each kitchen, thereby offering the same amount or more kitchen amenities than all of the surveyed communities.

The majority of the properties offer a patio or balcony on most or all units. All 15 communities offer common laundry areas. None of the managers indicated the

existence of washer and dryer connections in individual units. Parking is free in surface lots for all communities with none offering carports or garages. In terms of security, two of the communities include both individual alarms and controlled access gates. Misty Amber Senior Apartments will include a common secured entrance, perimeter fencing and individual unit security systems with a call system.

All of the surveyed communities are general occupancy and do not offer amenities geared to senior renters (Table 24). The majority offer few, if any recreation amenities. Among the surveyed communities, 11 offer no recreation amenities, three offer one amenity, and one offers three amenities. The proposed common area amenities at Misty Amber Senior Apartments will include a picnic area with gazebo, library and reading room, swimming pool, craft room, home theater room, fenced vegetable garden, patio area with grill, an exercise room, and a business center/computer lab. These proposed amenities far exceed any currently offered in the primary market area. These extensive amenities will differentiate the proposed community from the existing, older stock.

Among the 15 properties surveyed, 6 offer one bedroom units, all offer two bedroom units, and 9 offer three bedroom units. Misty Amber Senior Apartments will consist of one and two bedroom units reserved for senior renter households. One bedroom units have historically been the primary unit offered to senior renters. However, two bedrooms are becoming more popular as they allow for the option of a roommate or additional space for a single renter or couple. The proposed unit mix at Misty Amber Senior Apartments is comparable to industry standards of unit configurations and appear to be appropriate.

Street rents were adjusted to reflect inclusions of utilities and incentives. One-bedroom units range from 559 to 704 square feet and have net rents between \$234 and \$604 per month. The average one-bedroom net rent is \$407 per month for 611 square feet or \$0.67 per square foot. Two-bedroom units range from 750 to 976 square feet and have net rents between \$348 and \$730 per month. The average two-bedroom net rent is \$519 per month for 839 square feet or \$0.69 per square foot. The proposed tax credit and market rate rents at Misty Amber Senior Apartments are higher than the average among existing properties, however the proposed unit sizes of 762 and 1,095 for one and two bedroom units are well above the average among

existing properties. The proposed rents are appropriate given the large unit sizes, new construction and extensive amenities to be included.

Table 24 - Recreational Amenities of Communities

APARTMENT	Clubhouse	Pool	Tennis	Playground	Fitness Center	Jacuzzi
Bolton Crossing	No	No	No	No	No	No
Central Methodist Garden	No	No	No	No	No	No
Chastain Pines	No	No	No	No	No	No
Daron Village	No	No	No	Yes	No	No
Delmar Villa	No	No	No	No	No	No
Enclave on Cushman	No	No	No	No	No	No
Fairburn Townhomes	No	No	No	No	No	No
Hidden Hollow	No	No	No	No	No	No
Kings Inn	No	No	No	No	No	No
London Townhomes	No	No	No	No	No	No
Park West	No	No	No	No	No	No
Raven Ridge	No	No	No	No	No	No
Riverwood	Yes	Yes	No	Yes	No	No
Summit Crossing	No	No	No	Yes	No	No
Windsor Square TH	No	No	No	Yes	No	No

Table 25 - Features of Rental Communities in Primary Market Area

Project	Heat	Who Pays? (Landlord or Tenant)				D/W	Kitchen		Laundry	Parking	Security
	Fuel	Heat	Hot Water	Cooking	Water		Micro	Disposal			
Bolton Crossing	Elec	T	T	T	L				Facility	Surface	
Central Methodist Garden	Gas	T	T	T	T	yes		yes	Facility	Surface	Alarms/Gate
Chastain Pines	Gas	T	T	T	L				Facility	Surface	
Daron Village	Elec	T	T	T	L	yes			Facility	Surface	
Delmar Villa	Gas	T	T	T	L				Facility	Surface	
Enclave on Cushman	Elec	T	T	T	L			yes	Facility	Surface	Alarms/Gate
Fairburn Townhomes	Elec	T	T	T	L				Facility	Surface	
Hidden Hollow	Elec	T	T	T	L	yes		yes	Facility	Surface	
Kings Inn	Elec	T	T	T	L	yes			Facility	Surface	
London Townhomes	Gas	T	T	T	L	yes	yes		Facility	Surface	
Park West	Gas	T	T	T	L				Facility	Surface	
Raven Ridge	Gas	T	T	T	L	yes			Facility	Surface	
Riverwood	Elec	T	T	T	L	yes		yes	Facility	Surface	
Summit Crossing	Elec	T	T	T	L				Facility	Surface	
Windsor Square TH	Elec	T	T	T	L			yes	Facility	Surface	

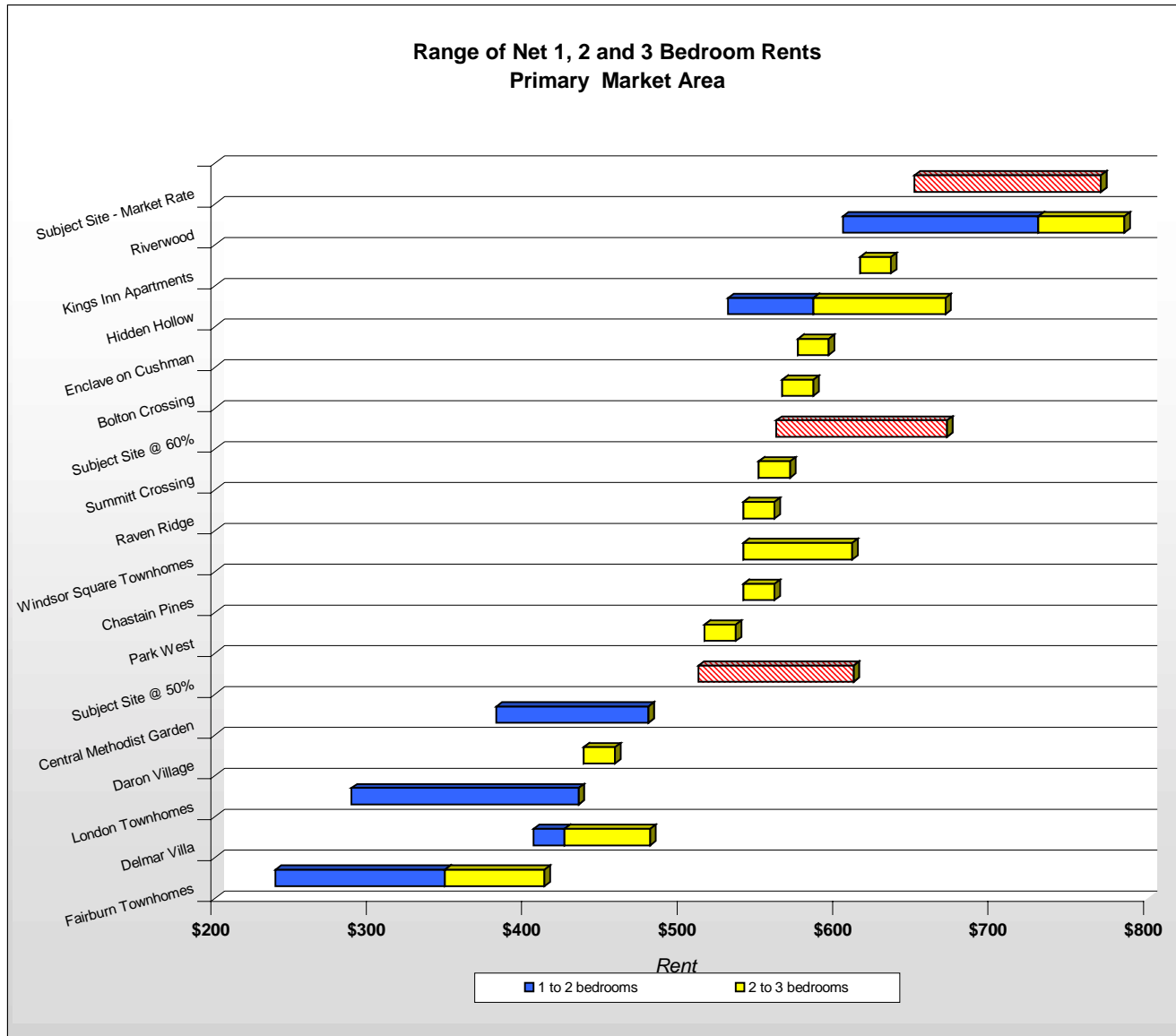
Table 26 - Salient Characteristics, Surveyed Rental Communities

			(1)				(1)				(1)			
Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three+ Bedroom Units			
			Units	Rent	SF	Rent/SF	Units	Rent	SF	Rent/SF	Units	Rent	SF	Rent/SF
Riverwood	Garden	144	52	\$604			85	\$730			7	\$785		
Kings Inn Apartments	Garden	130					130	\$615						
Hidden Hollow	Garden	216		\$530	704	\$0.75		\$585	889	\$0.66		\$670	1002	\$0.67
Enclave on Cushman	Garden	48					48	\$575	750	\$0.77				
Bolton Crossing	Garden	42					42	\$565						
Summitt Crossing	Garden	125					125	\$550	750	\$0.73				
Chastain Pines	Garden	88					80	\$540			8	\$1,085		
Windsor Square Townhomes	TH	125						\$540	976	\$0.55		\$610	1323	\$0.46
Raven Ridge	Garden	88					88	\$540						
Park West	TH	100					90	\$515			10	\$560		
Daron Village	Garden&TH	130					130	\$437	946	\$0.46				
Central Methodist Garden	Garden	240	16	\$381			184	\$437			40	\$474		
Delmar Villa	Single-story	76	6	\$405	570	\$0.71	64	\$425	750	\$0.57	6	\$480	912	\$0.53
London Townhomes	TH	200	8	\$288			61	\$382			122	\$429		
Fairburn Townhomes	TH	240	16	\$234	559	\$0.42	76	\$348	815	\$0.43	132	\$398	1197	\$0.33
Average / Total		1,992		\$407	611	\$0.67		\$519	839	\$0.62		\$610	1,109	\$0.55
Unit Distribution		1,626	98				1,203				325			
% of Total		82%	6%				74%				20%			

(1) Rent is adjusted, net of utilities and incentives

Source: Field Survey, Real Property Research Group, Inc. May, 2002.

Figure 4 - Product Position



As the figure on the previous page illustrates, there is a break between lower rental one bedroom units from \$250 to \$375 and two bedroom units below \$500. More expensive general rental units range from over \$500 for one bedroom units to over \$700.. The proposed 50 percent tax credit rents are in the lower middle of the range of net rents, the 60 percent rents are in the upper middle of this range and the market rate units will redefine the upper end of the market. The proposed rents are reasonable and appropriate given the newly constructed units and the specialized design of the community to address the needs of seniors.

C. Proposed Developments

According to the City of Atlanta and the Atlanta Development Authority there is no known upcoming development of senior rental housing within the borders of the primary market area. This includes both new construction and major renovations of existing communities.

IX. Interviews

Information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included property managers, individuals with the chamber of commerce, Atlanta Housing Authority, and local planning officials. All pertinent information obtained was included in the appropriate section of this report.

X. Conclusions and Recommendations

Proposed Site Location

- The proposed site is located on the former site of several rental communities including Misty Valley, Ruby Ridge and Ambercreek. Over the past several years, there have been major initiatives and efforts in the revitalization of the Adamsville community in which the proposed site is located.
- Being the largest contiguous piece of vacant property in the area with approximately 32 acres, ANDP has implemented a master plan that will help achieve the three housing goals of the Southwest Atlanta Comprehensive Plan (SWACP). The Misty Amber community will encompass approximately 540 new for sale housing units, 200 family rental apartments and 152 units of senior rental housing. Misty Amber Senior Apartments is the first phase of this development. The senior community will be adjacent to and a part of a larger intergenerational, mixed income community.
- Misty Amber Senior Apartments will be located along Martin Luther King Jr. Drive on 5.5 acres of the Misty-Ruby-Ambercreek Community. The property fronts 350 feet of the west side of MLK Jr. Drive and over 440 feet along the new entrance road for the overall community.

Proposed Amenities

- Misty Amber Senior Apartments will include a fully equipped kitchen with a stove, a refrigerator, a garbage disposal and a dishwasher. Each unit will have an individual alarm system with call system. Common area amenities designed to address the needs of seniors will include a gathering and social areas on each floor, a community room with private dining room for parties and special events, a sheltered gazebo, an exterior patio with barbeque grills, an adult swimming pool, a fenced vegetable garden, an exercise/fitness center, self serve elevators, central laundry facilities, and business center/computer lab.

- The proposed unit and common area amenities will be attractive to the senior clientele, which will be targeted by Misty Amber Senior Apartments.

Demographic Analysis

- According to 2000 Census data, the proposed development is compatible with the demographic composition of the primary market area, which has a proportional high percent of senior person.
- The senior household growth rate and senior income distribution indicate the need for additional senior oriented rental units.

Affordability Analysis

- Based on household income distributions produced by Claritas, 71.8 percent of the senior (55+) households in the primary market area earn less than the maximum income limit for the two bedroom units at 60 percent of the AML.
- When a minimum income limit is introduced, 11.01 percent earn below the maximum income limit and above the minimum income limit. This minimum income limit will apply to those householders without Section 8 voucher rental assistance.
- Based on the 2004 senior household estimate of 15,672 for the primary market area, there are 11,263 senior households with incomes below the maximum income limit and 1,725 of these household also earn more than the minimum income limit.

Proposed Unit Mix and Rent Schedule

- The proposed unit mix consists of one and two bedroom units reserved for tenants age 55 and older. There will be tax credit units priced at both 50 percent and 60 percent of the Area Median Income and market rates units will target those renters earning no more than 80 percent of the AML.
- The proposed one and two bedroom units at Misty Amber Senior Apartments will be appealing to senior renter households. These are the two floorplans are typical of new senior communities. . Furthermore, the

senior oriented community will be more appealing to the target market than the existing, older general occupancy communities.

- The units sizes proposed are generous for a general rental apartments in this market and large for a senior community.
- The proposed rents at Misty Amber Senior Apartments are higher than the average rent among existing communities, although the unit sizes are noticeably larger than the average unit in the market. The proposed rents are appropriate given the appeal of larger units, new construction and the extensive amenities to be included.

Demand and Capture Rates

- Using the methodology stipulated by NCHFA, we find that there will be 5,364 senior (55+) renter households as a result of substandard households, rent over burdened households, renter household growth, and elderly homeowners converting to rental housing in 2004.
- By applying the income qualification percentages discussed earlier to this demand number, we calculate that there is demand for 2,703 additional units in the primary market area.
- This demand estimate results in a capture rate of 22.2 percent with a minimum income limit and 4.3 percent without a minimum income limit. Based on the product to be constructed and the proposed location, these capture rates are considered achievable.

Final Conclusion

Based the data presented in this report, we find that Misty Amber Senior Apartments passes the market study test as proposed.

Appendix 1 - Underlying Assumptions and Limiting Conditions

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation which could hinder the development, marketing or operation of the subject project.

The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.

Appendix 2 - Analyst Certification

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full study of the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.



Tad Scepaniak
Regional Director
Real Property Research Group, Inc.

June 21, 2002

Date

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.

Appendix 3 - Resumes

TAD SCEPANIAK

Mr. Scepaniak directs our Atlanta office. He has approximately eight years of experience in the field of residential rental market research. Before joining the firm, Tad was president of MarketQuest, where he was involved extensively in the Low Income Tax Credit program throughout the entire United States. Mr. Scepaniak has completed work in approximately 25 states and Puerto Rico over the past eight years. He also has experience conducting studies under the HUD 221d program, market rate rental properties, and student housing developments. Along with work for developer clients, Tad has led our research efforts for both the North Carolina and Georgia Housing Finance agencies. Mr. Scepaniak is also responsible for development and implementation of many of the firm's automated analytic systems.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program, however His experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Student Housing: Tad has conducted market analysis of student housing solutions for small to mid-size universities. The analysis includes current rental market conditions, available on-campus housing options, student attitudes, and financial viability of proposed developments. Recent campus studies include Southern Polytechnic University, North Georgia State College and University, and Abraham Baldwin Agricultural College.

Education:

Bachelor of Science – Marketing Research; Berry College – Rome, Georgia.

ROBERT M. LEFENFELD

Mr. Lefenfeld has over 20 years of experience in the field of residential market research. As an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason, he has closely monitored residential markets throughout the Mid-Atlantic United States. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for-sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles.

Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, where he analyzed markets throughout the Eastern United States and evaluated the company's active building operation on an ongoing basis.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders and the National Council on Seniors Housing. His recent article, "Market Analysis: Basic Elements of a Good Study," was featured in the Summer, 2001 issue of ULI's Multifamily Housing Trends magazine. He also authored an article on active adult housing that will appear in an upcoming issue of Mid-Atlantic Builder, published by the Homebuilders Association of Maryland.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects of these analyses have included for-sale single family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations, and continuing care facilities for the elderly. In addition, he has conducted feasibility work in conjunction with Hope VI applications for redevelopment of public housing sites and analyses of rental developments for 221(d)4 insurance and tax credit applications.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for-sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), allowing the comprehensive integration of data.

Education:

Masters of Urban and Regional Planning; The George Washington University.
Bachelor of Arts, Political Science; Northeastern University.

Appendix 4 - Community Photos and Profiles